Nissan cuts car shipments to U.S.; 30% reported

By Mary Ann Maskery
AUTOMOTIVE NEWS STAFF REPORTER

TOKYO — Nissan Motor Co. will cut its car shipments to the United States in order to reduce its high inventory.

Tetsuo Arakawa, executive vice president in charge of overseas marketing, said, "We have adjusted our shipments to match local sales conditions."

Arakawa would not comment on specific figures, but reports in the Nihon Keizai Shimbun newspaper indicate a reduction of about 30 percent, or a total shipment of about 200,000 units between April and September.

Under the formula for car exports to the United States administered by the Ministry of International Trade and Industry, Nissan is allowed to ship approximately 540,000 cars in fiscal 1988, which began April 1. The company fell short of its 1987 allocation of 541,778 by around 66,000 units.

Analysts suggest the company's goal appears to be a cutback of about 70,000 to 80,000 units for the first half, but exact figures might change during the following six months.

"It is necessary that we take steps to reduce current model inventories," Arakawa said. He added that it is a matter of course for any manufacturer to make adjustments to production volume when inventories rise.

Arakawa acknowledged that "our inventory levels in the United States are a bit high." At the beginning of this month, Nissan had a 96-day supply of cars, but the company expects to reach what it calls "normal" inventory by September.

Until that time, the company expects to face stiff competition in the U.S. market. Sales have been sluggish with a product line that was not changed last year and will not change this year until September.

In September, Nissan will start to introduce its 1989 lineup, which Arakawa said will include "several attractive models that we are confident will be favorably received by American consumers."

Nissan is expected to introduce new versions of the Maxima, 300-ZX and 200-SX. The new 200-SX is likely to be renamed and upgraded with a 3-liter engine.

However, that leaves untouched, except for possible facelifts, the Sentra and the Stanza, the two biggest sellers for Nissan.

Analyst Koji Endo of Nomura Securities said Nissan will "have a very small competitive edge in the U.S. market" this year. But Nissan is doing much better in the Japanese market compared with last year, he said, and right now the company's sales in the two markets "are almost even."

Nissan concentrated most of its new-model efforts last year on the Japanese market. The Bluebird, sold as Maxima in the United States, was redesigned. Sales are not doing as well as many analysts originally expected, but the car is doing much better than last year.

The biggest sales improvement for Nissan is in the top-of-the-line models — the Gloria/Cedric and the new, wide-bodied Cima that was introduced in January.

HOW JAPANESE QUOTA IS EXPECTED TO BE SHARED

Company	1988	1987
Toyota Motor Corp.	612,350	613,816
Nissan Motor Co.	540,500	541,778
Honda Motor Co.	423,850	424,865
Mazda Motor Corp.	226,100	226,661
Mitsubishi Motors Corp.	193,650	194,125
Isuzu Motors Ltd.	119,500	119,798
Fuji Heavy Ind.	106,800	107,062
Suzuki Motor Co.	60,250	60,397
Daihatsu Motor Co.	17,000	11,498
Total	2,300,000	2,300,000

Daihatsu allotment up

TOKYO — Daihatsu Motor Co. will get an increase in its car-export allotment to the United States for fiscal 1988, bringing its total to 17,000 units. That compares with 11,498 in 1987.

The increase of nearly 50 percent, arranged through the Ministry of International Trade and Industry, is smaller than the 100 percent jump anticipated earlier in Japanese news reports.

Official sources indicate the extra units for Daihatsu represent a reduction of approximately 0.24 percent for the eight other companies now exporting cars to the United States.

Lotus M100 debut set

U.S. sales slated to begin in early 1990

By Richard Johnson
AUTOMOTIVE NEWS STAFF REPORTER

HETHEL, England — Group Lotus' new M100 two-seater will debut late next year — possibly at the Frankfurt auto show in September — and will come to the United States in early 1990.

Lotus Chief Executive Michael Kimberley also said that Lotus will homologate the new $150,000 M300 supercar for the United States. He said the 200-mph Etna prototype-based model will be introduced in late 1991.

Kimberley said Lotus Cars could have as many as 100 dealers in the United States by the time the M100 arrives in America — 15 more than was previously pegged for the launch. He said Lotus has considered and rejected distribution of the car through other retail networks in the United States.

Though Kimberley said he is distressed by the pound's recent strengthening against the dollar, he said it will not interfere with plans to launch the "entry-level" M100 in the United States.

He said the car will probably debut around October of next year, possibly turning up at the 1989 Frankfurt auto show. The M100 — almost certain to be named Elan — will then appear in the United States in early 1990.

Kimberley said the car will be sold through Lotus' wholly owned U.S. distribution arm, which it established in early 1987.

"Before we went down the route of setting up our own operation, I looked at every alternative," said Kimberley. "We looked at going in with other people, joint ventures, I looked at every cotton-pickin' alternative available.

"But hand-on-heart," he said, "I must say that the only one that can really work effectively for you when the chips are down is your own operation."

Kimberley denied recent rumors that Lotus is seeking an alternative distribution arrangement with another network — possibly American Isuzu.

"Not at all," he said. "The rumor I saw the other day about us possibly talking to somebody else about marketing the M100 is totally untrue. I'm committed to doing it ourselves. I've tried everything else. We're small and we can't cover everything and everywhere, but we don't need to and we don't want to. We can't be all things to all men in America."

American Isuzu has no plans to market the M100 or any other Lotus-badged vehicle, a spokesman for the Whittier, Calif.-based importer said.

Kimberley said Lotus currently has 71 dealers in the United States, up from 64 when it took over distribution.

"A Lotus is a very rare product to see in the U.S. and we want to keep it rare, but we've got to get coverage in some areas," he said.

Since taking over the distribution system, Kimberley said there have been 10 buy-sells within the network.

"The key is to have the network restructured and solidly in place for the launch of the M100," he said. "But it's very important that the dealers are able to cope with that increased traffic.

"That network is going to be retailing about 1,800 cars a year of the Elan-type," he said. "So the floorplanning and financial stock capability levels of the dealers have to be significantly uprated in certain areas."

The exact size of the dealer group at the time of the M100 launch is unsettled. "We've got some debate on that . . . whether it's going to be 85 or 100," he said. "It will probably be somewhere between the two.

"I'm not a great believer in large dealer numbers," he added. "In the U.K., we have only 28 dealers and this year we're selling about 600 cars retail."

After an analysis of the company's requirements in the United States, Kimberley said Lotus pegged seven open points — of which five have been filled — and another 17 "second-phase" open points.

"We're moving toward those second-phase open points and hope to have that completed by the time we're ready with the M100," he said. "We were very sparsely represented on the West Coast and (Lotus Cars USA President) Ron Foster is currently spending a lot of time in that area. We've just appointed some dealers in Los Angeles."

HIDDEN IMAGE HANS G. LEHMANN

Elan name will probably be revived when Lotus introduces M100 in 1989

Currency looms as a potential headache for the Elan. Kimberley called the present relationship of the pound and dollar "horrifying."

"It's constantly paring away the competitive advantage we have," he said. But Kimberley said delaying the launch due to currency rates is not an option.

Lotus pegs M100's price in the U.K. at £13,000-14,000. At current rates, that would be about $25,000 in the United States as the dollar has plummeted to near 1.90 against the pound of late.

Kimberley said Elan's total annual production run will be capped at 3,000, with the United States receiving 60 percent.

The new car is believed to have a front-wheel-drive layout, using a new 1.6-liter, 16-valve engine from GM's Isuzu affiliate in Japan. Kimberley would not confirm the fwd layout. But he said Lotus' tradition of excellent ride and handling will not suffer, no matter what the configuration.

"Lotus has done a lot of (engineering of) ride and handling of front-wheel-drive, front-engine cars, as well as other configurations," he said. A special Handling-by-Lotus package on the Isuzu Gemini is one example of front-drive, front-engine suspension engineering work by the British company.

Kimberley described the car as front-engine, with two body styles. It starts as a two-seat convertible and a hardtop will be added later. It will be offered only with manual transmission at first, but an automatic will follow.

The rumored Isuzu powerplant is thought to deliver 125 horsepower. A 16-valve 2-liter engine from Adam Opel is believed under consideration for one version, as is four-wheel drive.

"It will perform in exceptional terms," said Kimberley. "Its A-to-B times will be tremendous and ride and handling will be fantastic. It will perform very much like the previous Elan did, but uprated for the modern era. There will be a lot more room in the car."

Lotus' previous two-seat Elan went out of production in 1973, 10 years after its introduction.

Kimberley said the design is frozen. The M100 is thought to have been styled by Lotus' interior studio, headed by Peter Stevens. Proposals from Ital Design and GM's North American studio were reportedly rejected.

"I always hold styling competitions, and we'll continue to do that," said Kimberley. "I can only say that there's been input from a lot of very creative stylists."

Next up for Lotus is the $150,000 M300, based on the Giugiaro-designed Etna show car of a few years ago. Active suspension will be standard, and it will have a mid-mounted multi-cylinder engine.

Kimberley said about 150-200 will be produced annually. "We're going to homologate it in only two or three markets," he said. "It will have a passive belt system, air bags will be prohibitive, but we're aiming for it to be salable in the U.S.A."

Lotus is currently building six Esprits per day, but is scheduled to step up to seven per day later this month. Kimberley said the U.S. dealers are still undersupplied.

Lotus this year will produce about 1,150 cars, selling about 350 in the United States. Volume is expected to rise to about 500 next year, prior to the Elan launch.

Korea strike halts export of LeMans

By Oles Gadacz
STAFF CORRESPONDENT

SEOUL, South Korea — As the labor dispute at Daewoo Motor Co. drags into its fourth week, the company has canceled April exports of the Pontiac LeMans to the United States.

About 5,513 LeMans units were due to be shipped to the United States this month.

As of April 1, Automotive News figures show that Pontiac had 21,670 LeMans cars in stock in the United States, an 86-day supply.

With April shipments scratched, worries have now shifted to whether Daewoo will be able to meet its export commitments for May.

Many of Daewoo's Korean showrooms already are empty. Customers who placed orders during the third week of March, just as the strike began, are still awaiting delivery of their vehicles. According to one source, the company's order books show 9,000 customers awaiting delivery.

The strike has spread to all four of Daewoo Motor's plants as well as to its retail/aftersales network. Owners of Daewoo vehicles who rely on the company's service centers are beginning to complain about difficulties in getting replacement parts and having their vehicles serviced.

Like Korea's three other automakers, Daewoo looks after the marketing and service of Daewoo vehicles through its own nationwide network.

The financial toll of the strike is heavy and growing for the company and its workers. In a statement to local media last week, Park Kon-Woo, a senior executive with Daewoo Motor, said the work stoppage had already cost the company 45 billion won ($60 million) and that losses were mounting at the rate of 6 billion won ($8 million) per day.

Negotiations are deadlocked as workers stick to 11 demands that include higher allowances and a 26 percent increase in basic monthly wages. Management has not budged from its original offer on March 22 of 7.2 percent.

GM retiree leaves job to computer

By Roger Rowand
AUTOMOTIVE NEWS STAFF REPORTER

DETROIT — Three years ago, General Motors moved abruptly and deeply into the world of factory automation as a developer and producer.

It made acquisitions in rapidly developing fields of technology that were new to it as it acquired substantial interests in four machine-vision companies and a knowledge-engineering company and formed a joint venture in robotics.

Last week, the company reported what it called the first p. - off on those moves. It put the knowledge of a senior employee into computer software for use after that employee left GM.

Gerald L. Elson, GM's executive director of advanced manufacturing engineering, described the system at a conference at the Engineering Society of Detroit's International Programmable Controllers Conference.

It is a computerized diagnostic system called Charley — after Charley Amble, a recently retired Saginaw Division maintenance engineer. As Amble did, it can forecast when machines need maintenance or will need repairs. Thus, machine tool operating time will be increased, maintenance costs will be reduced and quality levels will be maintained, Elson said.

AUTOMOTIVE NEWS/JOE WILSBERG

Conference attendees view computer-integrated manufacturing

The system emulates the reasoning process Amble used after that thinking was captured through extensive interviews by knowledge engineers and converted to computer language.

Charley works by analyzing readings of a machine's vibration patterns, said Atul Bajpai, a development engineer.

"Each vibration pattern is unique, like a signature or fingerprint," he said. "The vibration signature is kept in a computer file and as new readings are taken periodically, they are checked against the file copy. When a change is observed, Charley tells maintenance people to take more readings, analyzes them and pinpoints the problem or potential problem."

Elson said GM, largely through attrition, has about 35,000 fewer salaried employees than in mid-1986. "We now have a tool to help us preserve experience," he said.

Problems Charley can diagnose include imbalance, misalignment, mechanical looseness and bearing wear and failure.

Elson said savings for one typical large manufacturing plant can approach $1 million a year.

He said GM is phasing Charley into its plants this year and is studying plans for making it available to the rest of industry. Project Charley was initiated by the advanced engineering staff and Saginaw Division. Knowledge engineering was handled under contract with Teknowledge Inc., a Palo Alto, Calif., company 11 percent owned by GM.

Audi 5000 carries discount of $4,000

AUTOMOTIVE NEWS STAFF ROUNDUP

Automotive importers fought declining sales last week by slapping consumer incentives on slow-selling models and offering dealers generous cash incentives.

Audi of America plans to send out certificates worth $4,000 to most Audi owners. The certificate can be applied only toward the purchase of a 1988 5000 model.

Also last week, Mitsubishi announced substantial cash awards for dealers and sales managers on many of its cars and trucks, including a sales managers' incentive that includes the 1989 Galant that has yet to go on sale.

AUDI: Audi of America is reviving steep discounts as it attempts to clear out inventory and make way for the successor to the Audi 5000.

Within the next month, Audi will mail about 400,000 certificates worth $4,000 off the price of a 1988 Audi 5000. They will go to all owners of pre-1988 Audi models.

Until that program begins, Audi will provide dealer incentives worth $2,500 on the car.

The new offer to current owners echoes a $5,000 discount that Audi ran last spring that drastically reduced bulging inventories. This year, though, Audi has only about 5,500 Audi 5000s remaining and will offer the deal to a broader group of owners.

If demand is anything like last year's, there will be shoppers who won't be able to find an Audi 5000.

"One of our motivations is to give the opportunity to build demand much in excess of supply," said Joe Tate, Audi's general sales manager.

Audi hopes to steer some potential customers to an Audi 80 or 90, its two newest models, Tate said. The company is currently offering up to $2,000 in dealer incentives on the 80/90 series in a program that runs through April 30.

The current $2,500 dealer incentive on the Audi 5000 will likely expire at the end of this month or in early May, Tate said. It will be replaced immediately by the $4,000 discount to current owners, which will be offered through Aug. 31. Dealers will be asked to cover $1,500 of that discount.

Audi is also raising the base price of its Audi 5000 models by 3 percent, effective May 9. With that increase, the lowest-priced 5000 model, for example, would climb about $665 and carry a $22,845 sticker.

Tate called it an interim increase that will be followed by another hike when the Audi 100 and 200 models hit the market Aug. 1. The price increase will partly reflect the cost of features that will become standard on the new models, Tate said.

CHRYSLER MOTORS: Chrysler Motors' Jeep-Eagle Division is offering a choice of a $750 rebate or low-interest financing on 1988 Eagle Premiers purchased or leased after April 1. The program has no expiration date.

Premier buyers may select the rebate or an 8.8 percent, 72-month loan. Those who lease a Premier may select a special Gold Key rate for leases up to 60 months.

The car must be financed through Chrysler Credit Corp. There is no dealer financial participation cost. Dealer sources said the Premier can be purchased from stock or ordered before May 15.

Jeep-Eagle is also offering dealer incentives on selected models and a spin-and-win game for salesmen on Premier.

The dealer incentive program began April 1 and ends May 20. It offers $500 on 1987 Comanche pickups; $1,000 on 1987 GTAs; $500 on 1988 Medallions; and $1,000 on 1987 Grand Wagoneers.

The game began April 1 and ends May 15. Salesmen win $50 to $1,000 on each Premier sold.

MITSUBISHI: Mitsubishi Motor Sales of America announced cash incentives on cars and trucks for dealers and sales managers.

Mitsubishi said sales of the 1989 Galant, which is scheduled to begin arriving at dealerships this week, will count toward the attainment of sales objectives in the sales managers' contest. The 1989 Galant, however, is not included in the dealer incentive program.

see INCENTIVES, page 58

Ford investigates ventures with Soviets

By David Versical
AUTOMOTIVE NEWS STAFF REPORTER

DEARBORN, Mich. — Ford Motor Co. joined six other U.S. corporations in forming a trade group that could pave the way for Ford to begin selling vehicles in the Soviet Union.

The venture, called the American Trade Consortium, will explore the potential for joint business ventures with Soviet partners.

Ford would likely begin by exporting cars from Europe to the Soviet Union, said Phillip E. Benton Jr., president of the Ford automotive group. The relationship could evolve to the point where Ford would assist a Soviet organization in producing cars for domestic sale, he said.

Ford announced last year that, at the request of the Soviets, it had begun looking into opportunities in that nation. The consortium is expected to give answers to "a lot of the generic questions" about doing business there, Benton said.

Each company will pursue its own ventures. The other companies are Chevron, Eastman Kodak, Mercator Corp., Johnson & Johnson, Archer Daniels Midland and RJR Nabisco.

Benton said Ford sees an opportunity to tap into a growing automotive market. "In the so-called Eastern bloc today, there are about 3½ million cars and trucks produced for civilian use. We have absolutely no participation in that whatsoever," Benton said. He estimated that Soviet production will reach 5 million units annually by the early 1990s.

The first exports will likely be shipped from Ford of Europe, Benton said.

Early discussions have shown that the Soviets are most interested in cars about the size of the Scorpio, an intermediate sedan, Benton said. He expects their interests to be broader than that, however.

Benton also said that he sees the potential for Ford to ship "large" quantities of automobiles, but he would not specify a number. A spokesman, however, said, "I don't think we'd view 10,000 as a significant project."

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WRANGLING:

Teen's soft-top Jeep starts door-lock war

By Mary Connelly
AUTOMOTIVE NEWS STAFF REPORTER

Elizabeth Tozzi bought her dream car in February. But her mother wouldn't let her drive it.

Tozzi, 19, saved $6,500 for a down payment and bought a $13,000 1988 Jeep Wrangler soft top from Raritan Valley Garage, Raritan, N.J.

Although Tozzi is making vehicle and insurance payments, she said she is unable to drive it to her school classes in Manhattan or her job as a waitress. She said the vehicle is unsafe for urban or nighttime driving because the soft-top Wrangler has no door locks.

Roberta Tozzi, who initially refused to let her daughter use the vehicle at all, now permits Elizabeth to drive it for daytime errands. But she has begun a quest for door locks that has led to the dealer, Chrysler Motors and NHTSA because she considers the soft-top a "potential rape trap."

"The car is now sitting in our driveway and Elizabeth is having to borrow rides once again," said Roberta Tozzi. "There is no way any mother would subject her daughter to the perils of such unsafe transportation."

A Chrysler spokesman said that Jeep has never put door locks on soft-top or soft-door models.

"With soft sides, a canvas top and plastic windows, theft-wise a lock on the door would not stop somebody," the spokesman said.

Roberta Tozzi said the company has offered the family a hard-top Wrangler to replace the soft-top model.

Roberta Tozzi said the family did not realize the soft-top had no door locks until taking delivery. Tony Russo, an owner of Raritan Valley Garage, which sold the soft-top, said he tried unsuccessfully to install locks in the Wrangler.

Russo offered to buy back the vehicle but for $1,000 less than purchase price because the title had been transferred.

Roberta Tozzi said she has filed a complaint about the lack of door locks with NHTSA and noted that a competitive model — Suzuki Samurai — is equipped with locks. NHTSA officials said there is a standard for side door locks; however, it is designed to minimize the likelihood of being thrown from the vehicle on impact.

In a letter to Tozzi, Chrysler said that the vehicle is classified as an open-bodied, multipurpose vehicle and complies with all federal safety standards for that class.

In the meantime, Roberta's fiance has created a steel loop and cloth strap device to secure the vehicle doors from the inside. Although the device cannot be used for external locking, it will provide internal protection, he said.

The Tozzis and lockless "rape trap" ARNIE ADLER

European imports sing the blues in first quarter

By Dutch Mandel
AUTOMOTIVE NEWS STAFF REPORTER

As new-car sales in the United States climbed during the first three months of 1988, not every manufacturer let champagne corks fly in celebration.

To the contrary, for the Jan. 1-March 31 period, European imports found themselves at a loss — both in unit sales and in market share.

The losses hit both low- and high-line European automakers. The notable exceptions: Jaguar, Volkswagen and Sterling, all of which were able to increase their shipments of hot new models that had been in short supply.

While automakers and auto analysts tossed out varying reasons for the slump — from a weak dollar to consumers delaying purchases until after April 15 while they sort out the ramifications of the new tax law — few have fears that the decline will continue.

Theirs are guarded hopes that, should the European import market notch an overall sales loss in 1988, that loss will be minimal.

A few were more guarded about chances for a rebounding market.

"You should continue to see price increases come from both Europeans and Japanese through this summer," said Kahled Majeed, a market analyst with Drexel Burnham Lambert.

"Prices are a major, major reason" for the Europeans' sales woes, he said. "I don't see any of the price increases ceasing in the near term. All the effects of the weak dollar haven't yet been passed on to the consumer."

European importers are giving their all to help insure that this is a temporary sales trend. Nearly all have instituted programs to draw in buyers. Those programs include increased advertising, factory rebates, clearance discounts and long-term financing deals. Mercedes-Benz has even offered free air fare for European-delivery customers.

The numbers tell of European importers' problems. Their market share fell 1.04 percentage points, from 6.58 percent of the total car market for the first quarter of 1987 to 5.54 percent for the same period in 1988.

Unit sales in the first quarter this year numbered 146,749, off 6,375 from the previous year's total.

Peugeot: down 45.13 percent or 1,026 units

Some big losers in the January-March period: Peugeot, down 45.13 percent, or 1,026 units; Yugo, off 35.37 percent, with a 4,883-unit decline; Volvo, down 25.13 percent, or 8,101 cars; Porsche, off 24.50 percent, or 1,437 units.

Of all imports registering losses, Saab suffered the least, with a 9.02 percent decline, down 971 cars. Saab officials said salespersons' incentives, put in place from the beginning of the year on 9000-series sedans, helped Saab post its best March sales ever. Those incentives ended in late March.

Both of the high-end German manufacturers, Mercedes-Benz and BMW, suffered sales declines: 12.73 percent and 12.13 percent, respectively. Both Mercedes and BMW recently instituted lease programs to help lighten their days' supplies.

"The percentage of units the manufacturers are down would be an awful lot worse if they didn't have incentives," said a Mercedes-Benz, Porsche and Audi dealer in the Southeast.

Discounting at the dealership level has become more prevalent.

"What we have is European high-end products with a perceived high-end value," the dealer said. "Our buyers understand the dollar/mark relationship. When they see a car that sells for $44,000, they say to us, 'No, that's a $38,000 car.' If we want to keep that customer, we'd better sell him that car for $38,000."

Incentive programs currently in place will continue for many of the European import companies, experts said.

"Incentives have become a way of life," said John Hammond of J.D. Power and Associates, an automotive marketing consulting firm in Agoura Hills, Calif. "We will see them continue through 1988."

Analysts, however, remain divided on the severity and length of the downturn in the market.

"We're saying that for a month or two the trend will continue," said Hammond. "(As for the new tax changes) there is an unusual amount of under-withholding and people who ordinarily would go out and spend money on a car are being affected by that.

"We expect to see them in the market in the near future."

"By the fall you'll see a stabilization in prices," said Majeed of Drexel Burnham Lambert. "The high-line European cars have registered a (sales) decline in all but two of the last 12 months, and I think that will stabilize."

Two companies that don't hope the market will stabilize — because they've registered sales increases for the first quarter of 1988 — are Jaguar and VW.

Jaguar attributes its strong sales to demand for its redesigned sedan introduced late last year; only recently has supply met demand.

VW's 15,434-unit increase has been through the sale of its price-leading, Brazilian-built Fox sedan and wagon. Some 14,000 sales in the quarter had the Fox nameplate.

Yugo: off 35.37 percent, or 4,883 units

However, the company is planning to drastically reduce its shipments of the Fox to the United States during the next 18 months because of escalating costs (related story on Page 1).

The question remains, why the slump?

Most analysts cited prices; some cited increased domestic competition.

"The stock market crash created a little caution for a few months — a caution that continues," Hammond said.

"At this point, it's the overall economy," said a Volvo spokesman. "The upmarket car buyers seem to have backed off a bit. They seem to be saying, 'We'll sit this dance out.'

"We see April as a bellwether month due to the tax situation. If you consider demographics of these people, they are the ones who will feel the variability of this new tax season the most."

Makers of less expensive European makes cited a ripple effect from the upmarket makes as cause for their worries.

"Generally," said Tony Ciminera, executive vice president of Yugo America, "most of our outlets are dualed or tripled with major makes. When the others suffer, we suffer."

Yugo has taken many steps to improve sales, including an extended warranty program, increased ad spending and a consumer rebate program that carries through April.

Another company fighting the sales disease is Peugeot. It has both dealer and consumer incentive programs to stem declining sales.

The most effective program for Peugeot has been a $3,000 rebate first offered to current Peugeot owners and recently extended to owners of all cars.

"We've seen some success in March sales," said a Peugeot spokeswoman. "Our unit sales are up, 558 vs. 326 units in February." The trade-in allowance began in February.

Peugeot is also involved in a direct-mail campaign targeting import owners and high-end domestic-car buyers.

With the aid of R.L. Polk, 500,000 direct-mail pieces will solicit current import owners. The letter informs them of Peugeot's $3,000 cash incentive with the purchase of any Peugeot 505 sedan.

"There is so much competition in the market that the only way to reach the consumer is to increase advertising," said the Volvo spokesman. "Our advertising costs are up about a third (over last year). This year, you have to shout louder — spend more — to have your message heard."

Volvo has a fixed-price lease program as well as a 10-year retail financing schedule carried through Chase Manhattan bank. Volvo also offers dealer and customer incentive plans.

Sales drop 25% for U.S. cars in early April

By Roger Rowand
AUTOMOTIVE NEWS STAFF REPORTER

The crack of the bat and opening day in baseball stadiums across the country in early April were accompanied by a slump in sales of new domestic cars.

Nicked by one less selling day, the industry's deliveries of U.S.-built new cars tumbled to 144,954 units for April 1-10, down 24.95 percent from 193,139 in 1987. There were eight selling days in the period this year and nine last year.

Major sales incentive programs continued unabated through the month's first 10 days.

Only Honda dealers, with a 17.05 percent improvement, delivered more cars in the April 1-10 period than they did a year ago.

Nissan reported a falloff of 56.24 percent in sales of cars built in this country, and Volkswagen reported a dip of 51.09 percent.

For General Motors, the decline amounted to 27.84 percent. For Toyota, it was 25.64 percent; and for Ford Motor, 25.26 percent. Chrysler Motors reported a drop of 18.02 percent in retail sales for early April.

Mazda, which started building cars in this country in September, sold 230 units in the period.

The daily selling rate in the period this year was 18,119 cars vs. 21,460 in 1987.

Car dealers and manufacturers are throwing all their marketing pitches as spring runs its course. Some say they are able to observe direct results of some programs.

Yugo of America executives, for example, say Yugo's strong month-to-month sales increase in March over February stemmed directly from three efforts.

William E. Prior, president, said, "Our dealers report significant renewed customer interest in the Yugo, with many dealerships reporting sales volume increases well over 100 percent."

The company recently increased its warranty, launched an aggressive advertising campaign and put in play a $500 cash rebate.

DOMESTIC SALES

	April 1-10, 1988	April 1-10, 1987
Eagle	937	715
Chrysler	5,784	8,147
Plymouth	6,200	8,643
Dodge	9,719	10,111
Chrysler Motors	22,640	27,616
Ford	29,896	39,259
Mercury	9,656	13,270
Lincoln	3,427	4,974
Ford Motor Co.	42,979	57,503
Buick	8,339	14,156
Cadillac	4,376	6,324
Chevrolet	32,272	41,544
Oldsmobile	12,358	17,492
Pontiac	13,939	19,276
General Motors	71,284	98,792
Volkswagen	538	1,100
Honda	5,610	4,793
Nissan	1,154	2,637
Toyota	519	698
Mazda	230	—
U.S. industry total	144,954	193,139

Import car-truck inventory declines 4.3% for month

By Roger Rowand
AUTOMOTIVE NEWS STAFF REPORTER

Stocks of unsold new imported cars and trucks in this country, a subject of concern in import circles, have been pared only slightly in recent weeks.

On April 1, they were just 4.30 percent below the bulging levels of a month earlier. In comparison to a year ago, car stocks remained significantly higher while truck stocks were down.

An Automotive News analysis indicates there were 872,028 cars and trucks on hand April 1. That was the equivalent of a 69-day supply at the current rate of sales. A month before, the car and truck total was 911,194 units, equal to a 78-day supply.

On April 1, 1987, the import car and truck inventory totaled 761,917 units, a 59-day supply at then-current selling rates.

Most importers have sales incentives of one sort or another in force. They include cash rebates, dealer bonuses, U.S. savings bonds and free options.

The inventory of unsold imported passenger cars as of April 1 was 670,608, a 67-day stock, down sharply from the 702,748 units, or a 75-day supply, on March 1 and 539,759 cars, a 57-day inventory, on April 1, 1987.

The stockpile of unsold imported trucks at ports of entry, in transit and in dealers' hands as of April 1 also was smaller than it was a month earlier and was significantly down in number — but not in days' supply — from that of a year earlier.

As of April 1, the inventory of trucks totaled 201,420 units, a 74-day stock, down from 208,446, or 91 days, on March 1 and 222,158 units, a 65-day supply, at the selling rate on April 1, 1987.

By nation of origin, car inventories shaped up this way on April 1: Japan, 62.42 percent; Germany, 14.85 percent and others 22.73 percent.

A month earlier Japan accounted for 63.16 percent of the total stockpile, Germany, 14.31 percent and others 22.53 percent.

A year before, it was Japan, 67.22 percent; Germany 20.59 percent and others 12.19 percent.

Honda, which normally has a low inventory, reported only a 10-days supply as of April 1. Toyota had an 18-day stockpile; Acura, 26 days; and Mercedes-Benz, 34 days.

There was a 208-day supply of Merkur at current selling rates.

IMPORT DAYS' SUPPLIES

	Apr. 1, 1988	Mar. 1, 1988	Apr. 1, 1987
Chevrolet	153	140	137
Chrysler/Mitsubishi	126	115	87
Acura	26	24	44
Daihatsu	78	75	—
Honda	10	11	11
Isuzu	154	174	161
Mazda	48	53	55
Mitsubishi	105	111	43
Nissan	96	150	62
Subaru	97	98	110
Toyota	18	23	16
JAPAN	64	71	55
Audi	231	191	248
BMW	85	85	64
Mercedes-Benz	34	45	34
Merkur	208	171	49
Porsche	60	112	68
VW	92	85	130
GERMANY	87	88	92
Alfa Romeo	65	46	53
Festiva	102	106	—
Hyundai	45	50	20
Jaguar	55	49	33
Peugeot	83	167	95
Pontiac	86	170	—
Eagle/Renault	49	51	210
Saab	61	80	63
Sterling	81	67	30
Volvo	76	82	46
Yugo	127	146	34
Other Countries	67	78	39
Total Import Cars	67	75	57
Isuzu	123	110	66
Mazda	58	64	71
Mitsubishi	62	64	70
Nissan*	110	159	84
Range Rover	30	29	—
Suzuki	95	106	16
Toyota	31	43	48
Chrysler	114	111	89
Total Imp. Trucks	74	91	65
Total Imp. Vehicles	69	78	59

*—Includes domestic trucks.

Truck group plans forum on hiring

The California Trucking Association will conduct a forum on attracting qualified drivers and other employees at the International Trucking Show in Anaheim, Calif., May 3.

Driver shortages are a major concern of trucking companies nationally.

Several Western trucking associations are helping to draft a career recruiting packet for the parley.

In other truck industry news:

• Freightliner Corp. has expanded its SpecPro software program for custom spec'ing of heavy-duty Freightliner trucks to include its FL-112 medium-length conventional models.

TRUCKING TRENDS

JOSEPH BOHN

With the addition of those vehicles, SpecPro encompasses the entire Class 8 Freightliner product line, including the Hard Hat series of special-duty trucks and tractors.

The SpecPro computer program was developed by the Freightliner software group to help customers choose the right vehicle and components to meet specific operating requirements.

• To support its customers and truck operators, Rockwell International's automotive operations has formed a Distributor Advisory Council. It includes 15 brake and driveline distributors, representing Rockwell's national independent warehouse distribution network.

• A composites truck of tomorrow will be one of the highlights at the AUTOCOM '88 Conference and Exhibits slated for May 23-26 at Detroit's Westin Hotel.

The Sedona light-duty truck is a total truck body using composites and mounted on a modified steel-frame T10 chassis.

The Sedona project is an advanced vehicle engineering study by the General Motors truck and bus group. It seeks to determine the viability of composites structures as applied to high-volume, light-duty trucks.

Sponsors of the third annual AUTOCOM are the Society of Manufacturing Engineers and the composites group of SME. They expect more than 500 executives, engineers and technicians to attend.

• Kenco of Milford, Pa., manufacturer of pickup and van accessories, expects to report a first-quarter sales increase of about 50 percent over last year because of booming pickup sales.

Kenco produces a variety of truck and van accessories, including running boards, bug and stone deflectors, bed mats, rear slider windows and off-road lighting.

Jim Pedranti, Kenco senior vice president, said women and yuppies who like spruced up trucks are helping boost demand.

LIGHT-DUTY TRUCK SALES

	March 1988	March 1987	3 Mos., 1988	3 Mos., 1987
Vans	21,257	17,940	49,004	42,067
Aerostar	19,219	13,916	46,767	34,192
Club Wagon	3,060	2,581	7,270	6,793
Ranger	29,447	31,530	74,885	76,838
Bronco	5,402	4,833	13,855	11,831
Bronco II	10,818	9,073	30,173	26,533
Pickups	61,319	52,253	150,701	122,627
Ford	**150,522**	**132,126**	**372,655**	**326,881**
Vans	12,733	9,578	33,357	22,553
Sportsvan	2,030	1,400	4,240	3,136
Astro	16,696	11,781	41,647	31,401
S-10	20,460	22,006	61,668	56,720
S-10 Blazer	12,139	12,465	35,035	35,989
El Camino	62	1,086	352	3,018
Blazer	2,576	2,864	7,977	7,018
Suburban	6,058	4,695	15,640	11,412
Pickups	48,676	40,461	128,924	91,195
Chevrolet	**121,430**	**106,336**	**329,840**	**262,442**
Vans	6,365	5,565	15,090	14,302
Ram Wagon	2,517	2,896	6,599	7,641
Voyager	17,474	10,438	44,067	22,799
Caravan	19,942	11,307	49,966	25,579
Mini Ram Van	1,833	1,255	4,321	3,198
Ram 50	6,292	6,880	15,873	17,411
Raider	462	1,448	2,057	3,762
Ramcharger	2,064	2,821	5,980	6,371
Dakota	9,367	9,331	23,994	23,630
Pickups	8,396	11,342	21,748	25,621
Chrysler	**74,712**	**63,283**	**189,695**	**150,314**
Vans	5,322	3,256	11,336	8,870
Safari	3,399	2,808	7,894	6,966
S-15	5,406	4,547	13,150	11,939
S-15 Jimmy	3,296	3,335	8,782	9,024
Jimmy	936	682	2,141	1,844
Caballero	6	122	54	384
Suburban	2,359	1,640	5,483	4,029
Pickups	15,387	11,029	36,150	24,396
P Model	327	432	995	1,509
W-4	143	149	329	354
GMC	**36,581**	**26,000**	**86,314**	**69,315**
Wrangler/CJ	3,558	2,355	8,721	6,318
Wagoneer	915	1,007	2,410	3,076
Cherokee	13,366	8,493	34,796	24,912
Grand Wagoneer	1,098	1,057	3,453	3,241
Comanche	3,943	2,889	9,549	8,958
J-10/J-20	25	72	101	391
Jeep	**22,927**	**15,873**	**59,030**	**45,896**
Toyota	23,528	28,046	57,728	66,886
Nissan	14,928	21,320	41,688	56,128
Mazda	10,567	10,915	26,991	27,831
Isuzu	6,309	8,589	19,127	21,673
Mitsubishi	4,887	3,800	12,964	11,126
Suzuki	6,406	8,267	16,783	20,601
Subaru	3	219	7	697
Range Rover	372	79	897	79
Imports	67,000	81,235	176,185	205,021
Industry Total	**473,172**	**426,853**	**1,213,719**	**1,054,869**

Compiled by Karen Dedowski

Mystery firm plans Tennessee venture

By Joseph Bohn
AUTOMOTIVE NEWS STAFF REPORTER

A new medium/heavy truck manufacturing firm of somewhat mysterious origins is priming itself to begin assembling trucks in Mt. Pleasant, Tenn. Operations are scheduled to begin later this spring.

The firm is called Viamax and was formed by a group of investors. Tom Pepin is president of Viamax.

Little is known about Pepin or other principal investors in the firm.

Bob Maury, city manager of Mt. Pleasant, could tie the firm only to "some people who are in the trucking business in Illinois."

Maury said he believed Viamax has no connection with General Motors' Saturn plant in nearby Spring Hill, Tenn., or with Nissan's plant in Smyrna. At this time, Viamax does not have an office in Mt. Pleasant.

One truck supplier told Automotive News his company had recently been approached at a truck show by M.M. McGinty, president of J.I.T. Associates, a consultant to to Viamax.

The supplier said McGinty identified himself only as representing a new original-equipment manufacturer of Class 7 trucks. He said the company was studying assembly of very economical line-haul trucks of "something less than 80,000 pounds gross combined vehicle weight, probably in the 33,000- to 35,000-pound GVW range."

McGinty said the firm planned to build about 600 trucks a year, was a true OEM and was seeking OEM status from the supplier.

McGinty did not discuss component specifications, but said the firm planned to use Cummins C-series diesels. He said the firm had enough capital to start the project.

A Viamax press release, provided by Maury, said the company had chosen Mt. Pleasant as the site of its new custom truck-tractor assembly and manufacturing facility.

Viamax, a newly formed Tennessee corporation, said it will develop and market a truck tractor in the Class 7 range for lighter long hauls.

It said it will invest $12.3 million in new facilities using "factory of the future" designs and modern participatory employee/supervisory working relationships.

The company said in the press release that it will use two existing buildings in the Mt. Pleasant Industrial Park complex.

Operations there will begin sometime this spring "in an assembly mode, via a major component acquisition, using highly acceptable transport-industry-known components," the release said.

It listed such components as Cummins engines, Fuller transmissions and Rockwell axles."

The company's release said Viamax will emphasize an "energy-saving configuration" in its truck design, user-benefits and custom cab identification.

A second-stage expansion will involve state-of-the-art technology and processes to fabricate a cab, cab/sleeper, hood and fenders, the release added.

An additional planned expansion will provide facilities for beam design and processes to produce a truck frame in-house, according to the release.

Viamax expects to employ 25 people initially, 80 people during the first year.

It expects employment to total at least 160 people within two years.

KENWORTH: *Company sees gain in market share with model for regional short hauls*

By Len Fairfield
SPECIAL CORRESPONDENT

LOUISVILLE, Ky. — Kenworth has introduced a new T400A Class 8, the latest of several recent entries by American truck manufacturers in the rapidly expanding regional short-haul market.

Production of the T400A will begin in July and is projected to total 800 units this year and 2,400 in 1989.

Kenworth officials expect the new model to increase the company's market penetration by 2 percentage points. Kenworth had 10.69 percent of the Class 8 market in 1987.

The T400A, introduced at the Mid-America Truck Show, is a full Class 8 truck in its componentry and design. It shares many of the features of Kenworth's other conventional models, particularly the T600A and the T800. Perhaps the most significant difference is its short 112-inch bumper-to-back-of-cab dimension. This "medium conventional" design makes the T400A lighter and more maneuverable than its stablemates.

Kenworth officials believe there will be a gradual increase in sales of medium conventionals because their design characteristics make them particularly economical to operate in regional hauling applications.

A vehicle of this size can pull trailers up to 53 feet in length and still conform with overall 65-foot length restrictions.

Hank Kiefer, Kenworth general manager, said the new vehicle is a direct response to the emerging "hub-and-spoke" distribution patterns in the trucking industry.

"In order to optimize operating efficiencies, customers are utilizing trucks designed for specific applications," Kiefer said.

Kenworth T400A Class 8

Long-haul trucks, like the Kenworth T600A and the T800, are being used to carry goods between major distribution centers — the hubs. The T400A was designed to make deliveries from the hubs to surrounding locations — the spokes.

Trucks in regional operations generally run less than 400 miles per day, and much of that mileage is in inner-city deliveries. Since the driver and his equipment return to the hub terminal every evening, Kenworth is not offering a sleeper box on the T400A.

The vehicle has a sloped hood, aerodynamic design that offers good visibility for the driver and better fuel economy than conventional designs. Its 12,000-pound front axle is set back 43 inches from the bumper. That, combined with the short BBC dimension and a sharp front-axle turn angle, results in a relatively small 49-foot wall-to-wall turning diameter.

TRW's TAS65 power steering unit is standard.

Standard engine is a 270-horsepower version of the Cummins L10, with 240-hp and 300-hp versions of that engine optional.

Officials also plan to offer Caterpillar's new 3176 engine as an option. It has horsepower ratings of 250 to 325.

Kenworth settled on those engines after evaluating the needs of the medium conventional market. Though some competing vehicles in that class offer larger 14-liter engines, Kenworth felt that demand for engines of that size would be limited due to their higher operating expense.

At the other end of the spectrum, the Cummins 8.3-liter C engine was considered too light because of its 65,000-pound cargo hauling limitation.

In an era of driver shortages, driver acceptance of a vehicle is an important factor in design considerations.

Other Kenworth models have been highly regarded by drivers, and Kenworth has tried to get the same response to its latest entry.

The T400A has the same aluminum/fiberglass cab and many of the interior features being offered in Kenworth's other conventionals. To allow easier access into the vehicle — an important consideration for local delivery applications — the cab is mounted three inches lower than competitive cabs. It has wide, equally spaced steps integrated into the side fairings.

Kenworth's past marketing practice has been to offer prospective buyers just about any option they wanted. It is modifying that policy, though, and limiting option availability on the T400A to keep costs and prices down. Officials plan to gauge optional equipment demand in order to determine which additional accessories they may offer in the future.

AUCTION DATES

Chrysler Motors

April 19 — Florida Auto Auction of Orlando, Ocoee, Fla.; Aptco Auto Auction, Taylor, Mich.; South Seattle Auto Auction, Kent, Wash.; Arena Auto Auction, Chicago; Hatfield Auto Auction, Hatfield, Pa.; and Riverside Auto Auction, Riverside, Calif.

April 20 — Nashville Auto Auction, Nashville, Tenn.; Southern Auto Auction, Warehouse Point, Conn.; and Columbus Fair Auto Auction, Obetz, Ohio

April 21 — Fredericksburg Auto Auction, Fredericksburg, Va.; Omaha Auto Auction, Omaha, Neb.; Salt Lake City Auto Auction, Salt Lake City; and Indianapolis Auto Auction, Indianapolis

April 22 — St. Louis Auto Auction, Bridgeton, Mo.

April 26 — American Auto Auction, Walpole, Mass.; Golden Gate Auto Auction, Fremont, Calif.; and Hatfield Auto Auction, Hatfield, Pa.

April 27 — Butler Auto Auction, Gibsonia, Pa.; A.D.E. of Birmingham, Birmingham, Ala.; Minneapolis Auto Auction, Plymouth, Minn.; and Denver Auto Auction, Aurora, Colo.

Used Car Sales
Auction Averages

April 1988	$5,621
Month ago	$5,367
Year ago	$5,896

Ford Motor Co.

April 19 — South Seattle Auto Auction, Kent, Wash.

April 20 — Columbus Fair Auto Auction, Obetz, Ohio; Clanton's Auto Auction, Darlington, S.C.; Southern California Auto Auction, Fontana, Calif.; and Salt Lake City Auto Auction, Salt Lake City

April 21 — Baltimore-Washington Auto Exchange, Baltimore; Skyline Auto Exchange, Fairfield, N.J.; and St. Louis Auto Auction, Bridgeton, Mo.

April 26 — Harrisonburg Auto Auction Harrisonburg, Va., and Bay Cities Auto Auction Inc., Hayward, Calif.

April 27 — Indianapolis Auto Auction, Indianapolis; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; Lakeland Auto Auction, Lakeland, Fla.; and Newburgh Auto Auction Inc., Newburgh, N.Y.

April 28 — Greater Houston Auto Auction, Houston

Model Breakdown
Auction Averages

	APRIL 1988	MARCH 1988	FEB 1988
1988	$12,635	$12,283	$10,741
1987	$8,644	$8,682	$8,443
1986	$6,942	$6,927	$6,732
1985	$5,878	$5,837	$5,731
1984	$4,403	$4,380	$4,363
1983	$3,784	$3,765	$3,689
1982	$2,380	$2,534	$2,454
1981	$1,934	$1,906	$1,817
Overall Average	$5,621	$5,589	$5,309

General Motors

April 19 — Florida Auto Auction of Orlando, Ocoee, Fla.

April 20 — Hatfield Auto Auction, Hatfield, Pa.; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; Minneapolis Northstar Auto Auction, Shakopee, Minn.; and Golden Gate Auto Auction, Fremont, Calif.

April 21 — Butler Auto Auction, Gibsonia, Pa.; Aptco Auto Auction, Taylor, Mich.; Nashville Auto Auction, Nashville, Tenn.; and Southwest Auto Auction, Phoenix, Ariz.

AUCTION DIRECTORY

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(713) 649-8233

Chrysler urges dealers to use its auctions

"Chrysler Motors Action Auctions" is a slick new eight-panel, two-color brochure aimed at getting the company's franchised dealers to attend the closed auctions conducted by the company.

Highlighting the brochure is a message from Hal Barton, general manager of fleet operations, urging dealers to take advantage of Chrysler auctions.

He says more than 50 closed auctions are conducted every month for Chrysler, Plymouth, Dodge and Jeep-Eagle dealers.

"You'll find a good mix of top-quality, low-mileage, factory executive, employee lease and Guaranteed Depreciation Program rental vehicles that can provide more opportunity, flexibility and profitability," Barton says.

His pitch includes praise for the facilities offered at auctions.

"You can rely on these closed auctions for fair, honest dealings because they're all factory-controlled with a Chrysler Motors representative present," he says.

The brochure has letters from the chairmen of Chrysler Motors' dealer councils, urging dealers to support the program. The chairmen are James B. Clark, National Dodge Dealer Advisory Council; Dick Bournival, National Chrysler-Plymouth Dealer Council; and Ray Tatum, National Jeep-Eagle Dealer Advisory Council.

There are testimonials from Chrysler Motors dealers, including one who says the cars "account for 20 percent of this dealership's overall profitability."

And for dealers who haven't attended an auction recently or who have never been to one, there are step-by-step instructions on how a Chrysler Motors auction works from registration to payment after the sale.

AUCTION BRIEFS

CHARLES THOMAS

PRODUCTION

Car output moves past 2 million

By Kathy Barboglio
AUTOMOTIVE NEWS STAFF REPORTER

U.S. automakers built their two-millionth car of the year last Friday, 19 days behind 1987.

So far this year, 2,011,502 cars have been assembled, 15.08 percent below the 2,368,592 completed last year at this point.

Last week, the makers scheduled production of 165,868 cars, the highest weekly build since the week ended March 21, 1987, when 171,149 were assembled.

Last week's total was 23.20 percent more than the prior week's 134,637 and 30.30 percent more than year-ago week's 127,561. Those were both holiday weeks.

Companies shared last week's estimated production as follows: General Motors, 50.45 percent; Ford Motor Co., 24.58 percent; Chrysler Motors, 15.37 percent; Honda of America Manufacturing Inc., 4.94 percent; New United Motor Manufacturing Inc., 1.71 percent; Nissan Motor Manufacturing Co. U.S.A., 1.57 percent; and Mazda Motor Manufacturing (U.S.A.) Corp., 1.38 percent.

Volkswagen of America's plant in Westmoreland, Pa., is idle until May 9 for model changeover.

Last week's scheduled truck output of 87,636 was 16.58 percent more than the previous week's 75,171 and 30.07 percent more than the year-ago week's 67,378.

Year-to-date, 1,243,437 trucks have been built, 10.09 percent more than the 1,129,429 assembled last year at this time.

GM's Leeds, Mo., plant closed today, resulting in the layoff of about 1,700 workers. Production of the Oldsmobile Firenza line has been discontinued.

GM has increased production of Pontiac Grand Am models from 4,800 units per week to 5,400 at its Lansing, Mich., plant.

A second shift will be added to GM's Pontiac East truck plant in Pontiac, Mich., in September. About 1,300 workers will be called back.

Overtime was slated last Saturday at GM's Detroit-Hamtramck; Willow Run, Mich.; and Lordstown, Ohio, plants.

All Ford plants except the Edison, N.J., facility are scheduled for daily overtime this week.

Cars and trucks gain in Canada

Canadian car production was scheduled at 26,965 units last week, 1.33 percent more than the prior week's 26,610 and 85.93 percent more than the year-ago week's 14,503.

The year-ago week's output was trimmed by the Easter holiday.

So far this year, 341,671 cars have been assembled, 34.87 percent more than the 253,342 completed last year at this point.

Truckmakers estimated production at 20,030 units last week, 1.35 percent more than the previous week's 19,763 and 55.43 percent more than the year-ago week's 12,887.

Year-to-date, 285,394 trucks have been built, 18.31 percent more than the 241,222 assembled last year at this time.

U.S. CAR						
Allieros	0	0	0	0	0	10,007
Total Eagle	0	0	0	0	0	10,007
Horizon	2,333	0	2,071	4,675	39,552	32,997
Rendezvous	2,199	1,544	1,935	4,322	31,726	33,709
Reliant	2,430	1,702	1,975	4,775	28,703	28,305
Caravelle	483	777	539	997	5,933	17,000
Gran Fury	250	78	247	551	3,313	471
Total Plymouth	7,709	4,201	6,468	15,468	84,396	123,551
LeBaron K	969	1,327	457	1,017	6,110	27,370
LeBaron J	1,968	2,460	1,261	3,709	17,702	88,129
LeBaron GTS	199	703	199	246	2,695	12,813
E. Yorker E-Class	0	1,838	0	0	0	27,232
E. Yorker C-Class	2,709	0	2,182	5,222	69,191	0
Fifth Avenue	309	1,118	276	585	11,774	7,999
Total Chrysler	5,303	7,186	4,564	10,852	69,604	103,237
Omni	2,500	0	2,051	4,836	36,200	28,365
Daytona	1,833	1,227	1,514	3,675	15,883	14,233
Shadow	2,253	1,071	1,743	4,308	32,228	31,419
Aries	2,109	1,468	1,616	4,258	22,410	33,924
Dodge 600	599	774	388	985	5,112	15,735
Dynasty	2,209	0	1,789	4,370	33,291	0
Lancer	220	311	216	491	3,305	8,454
Diplomat	883	157	810	1,351	6,940	713
Total Dodge	10,363	5,008	10,088	24,294	146,448	132,835
CHRYSLER MOTORS	25,509	17,618	21,115	59,564	309,448	369,958
Escort	8,014	6,712	6,971	15,102	99,135	111,339
Mustang	4,074	3,692	3,238	8,091	64,789	68,420
Tempo	4,709	3,244	3,199	8,504	60,087	68,513
Taurus	8,838	7,984	7,910	17,139	117,838	141,852
Thunderbird	3,465	3,316	2,775	6,791	46,114	48,849
Total Ford Div.	29,048	24,948	22,578	55,866	388,701	424,577
Lynx	0	0	0	0	0	18,093
Topaz	1,660	1,109	1,125	3,091	22,910	18,324
Cougar	2,312	2,176	1,841	4,516	33,091	52,884
Sable	3,534	2,308	2,825	6,835	28,793	44,489
Total Mercury	7,506	5,591	5,792	14,424	84,794	132,190
Continental	938	338	838	1,958	13,189	5,548
Mark VII	471	491	482	958	7,857	8,356
Lincoln	2,691	2,481	2,549	5,838	43,703	41,514
Total Lincoln	4,200	3,309	4,032	8,904	64,849	55,354
Total L-M Division	11,706	8,891	9,824	23,328	152,393	187,512
FORD MOTOR CO.	40,772	34,393	32,420	79,194	552,040	612,089
Skyhawk	1,182	448	877	2,204	11,178	13,314
Skyhawk/Somerset	1,810	1,535	822	2,350	8,361	24,277
Century	2,599	1,312	2,865	4,280	34,385	56,191
Regal (rwd)	0	826	0	0	0	19,136
Riviera	194	428	128	365	2,578	5,623
Electra	2,288	1,694	2,285	4,718	32,099	32,494
LeSabre (fwd)	2,575	2,611	2,719	6,046	37,618	36,139
LeSabre (rwd)	288	240	282	561	2,368	4,161
Reatta	136	0	103	207	1,015	0
Total Buick	12,966	9,497	9,749	20,529	169,577	189,553
Cimmaron	123	0	99	233	3,328	5,511
Bonneville	1,219	287	979	2,330	11,164	7,955
Seville	729	288	610	1,358	7,237	5,118
Brougham (rwd)*	1,121	688	1,121	2,488	6,819	25,980
Deville (fwd)	3,849	2,468	2,810	6,827	86,488	84,558
Allante	68	87	88	127	738	884
Total Cadillac	5,770	3,771	5,688	13,540	85,889	99,086
Cavalier	7,181	6,888	5,629	13,885	88,887	111,764
Corsica	2,438	2,811	1,885	4,703	21,345	31,088
Celebrity	2,488	2,285	2,778	6,827	46,047	113,891
Corsica/Beretta	6,858	7,186	7,188	17,588	117,388	76,822
Monte Carlo	0	1,438	0	0	0	21,338
Caprice	3,815	4,588	3,288	7,888	57,327	68,758
Corvette	448	512	357	888	6,389	8,248
Total Chevrolet	28,281	25,187	21,138	51,513	348,211	434,578
Calais	2,988	2,338	1,188	4,488	30,382	34,035
Firenza	488	388	316	804	5,188	2,988
Cutlass Ciera	0	881	0	0	0	85,238
Cutlass Supreme*	9,137	3,578	9,137	20,181	88,347	18,878
Toronado	487	388	488	948	5,177	4,948
88 (fwd)	3,783	3,288	2,888	7,184	47,888	88,888
88 (rwd)	338	338	288	881	3,918	5,788
Olds 98	3,055	1,888	1,288	4,888	27,488	25,528
Total Oldsmobile	20,188	11,588	15,282	38,757	178,478	218,888
Sunbird	2,288	1,838	1,828	4,888	31,827	36,758
Grand Am	4,888	4,188	3,888	8,088	68,818	78,784
Firebird	1,888	1,748	1,484	3,383	18,981	24,888
Grand Prix	3,188	0	2,788	6,413	38,881	0
Pontiac 6000	2,438	2,038	2,278	5,148	28,884	25,488
Bonneville	3,018	2,504	2,024	5,327	25,943	44,888
Sunbird/Firebird	238	382	218	487	2,238	4,082
Fiero	488	888	512	1,088	5,788	10,888
Total Pontiac	16,138	13,514	14,538	35,488	205,781	223,588
GENERAL MOTORS	83,858	68,448	88,282	182,788	880,884	1,183,258
HONDA	8,188	5,288	7,837	17,274	108,938	88,118
Civic	2,288	1,331	2,188	4,787	27,484	32,288
Accord	5,918	3,888	5,748	12,507	81,448	88,888
MAZDA†	2,288	0	2,088	4,888	28,878	0
NISSAN	2,818	2,487	2,281	5,348	28,284	42,127
NUMMI	2,848	2,772	2,888	6,827	47,277	88,088
Corolla	1,208	585	1,028	2,414	17,588	11,848
Nova	1,848	2,287	1,838	3,813	29,881	48,258
VOLKSWAGEN	0	1,828	0	288	17,284	24,318
Golf/GTI	0	1,378	0	188	11,731	20,118
Jetta	0	288	0	88	5,553	4,208
Total Cars, U.S.	185,888	127,881	134,857	325,888	2,011,502	2,388,592
Total Cars, Canada	26,985	14,888	28,818	87,888	341,871	288,342
U.S., Canada Cars	192,888	142,084	161,247	388,748	2,388,173	2,821,984
U.S., Canada Cars and Trucks	280,488	222,888	288,181	882,818	3,882,884	3,882,885

Monthly estimates may contain error of one or two units due to rounding.
*—Estimate. †—Total includes Mazda MX-6 and Ford Probe.

CANADIAN CAR						
Eagle	0	—	0	0	0	—
Premier	1,888	—	1,878	3,888	28,881	—
CHRYSLER MOTORS	1,888	88	1,878	3,888	28,881	2,188
Escort	0	—	0	0	0	—
Lynx	0	—	0	0	0	—
Tempo	4,288	—	4,281	8,288	62,188	—
Topaz	1,348	—	1,388	2,884	20,888	—
Crown Victoria	2,881	—	2,817	6,848	42,888	—
Grand Marquis	2,888	—	2,888	6,271	41,388	—
FORD MOTOR CO.	11,488	9,888	11,487	24,773	188,174	188,888
Celebrity	388	—	348	741	5,388	—
Cutlass Ciera	7,228	—	7,288	15,748	74,588	—
Cutlass Supreme	0	—	0	0	0	—
Grand Prix	0	—	0	0	0	—
Pontiac 6000	1,488	—	1,278	2,887	14,885	—
Regal	4,088	—	3,888	8,251	48,714	—
GENERAL MOTORS	12,088	4,488	12,734	27,888	148,388	88,734
HONDA	788	188	888	1,485	8,481	2,388
VOLVO	178	188	188	388	1,882	3,188
Total Cars, Canada	26,288	14,888	28,818	87,888	341,871	288,342
U.S. TRUCK†						
Caravan	2,388	—	1,881	4,827	28,888	—
Dakota	2,288	—	2,278	5,888	36,854	—
Mini-Ram Van	888	—	841	748	4,882	—
Pickups	1,288	—	1,188	2,578	17,388	—
Total Dodge	6,788	4,887	5,881	18,388	88,817	78,384
Chevette	3,888	—	3,127	7,488	82,842	—
Commando	1,888	—	888	2,882	14,441	—
Grand Wagoneer	388	—	288	888	4,185	—
Pickups	0	—	0	0	0	—
Wagoneer	288	—	287	474	3,841	—
Total Jeep	5,388	3,488	4,882	10,871	75,288	88,834
Voyager	2,888	—	1,888	3,884	27,547	—
Total Plymouth	2,888	—	1,888	3,884	27,547	—
CHRYSLER MOTORS	14,888	8,382	11,788	27,818	180,833	188,738
Aerostar	2,388	—	2,888	5,888	88,888	—
Bronco	1,248	—	1,888	2,481	18,378	—
Bronco II	2,518	—	2,888	5,888	43,888	—
Econoline	5,888	—	4,181	10,882	74,972	—
Heavy trucks	1,418	—	1,188	2,518	18,888	—
Light trucks	10,418	—	8,541	21,818	181,528	—
Ranger	7,888	—	8,288	15,318	108,128	—
Total Ford Div.	32,827	25,888	27,757	65,878	483,348	481,847
FORD MOTOR CO.	32,827	25,888	27,757	65,878	483,348	481,847
Astro	3,888	—	3,287	7,888	82,048	—
Safari	882	—	487	1,188	8,888	—
Mediums/Heavies	418	—	278	788	5,878	—
F-Models	888	—	788	1,741	11,782	—
Pickups	7,188	—	6,288	14,784	93,887	—
S-10	5,818	—	5,787	12,888	88,847	—
S-10 Blazer	4,878	—	2,871	7,888	48,388	—
Sportsvan/Van	1,821	—	1,888	3,888	22,724	—
Suburban	1,847	—	1,387	3,288	21,388	—
Total Chevrolet	28,882	21,142	23,288	58,285	347,278	238,988
Jimmy	188	—	178	884	2,888	—
Mediums/Heavies	888	—	781	1,781	13,428	—
F-Model	128	—	81	227	1,884	—
Pickups	2,284	—	1,884	4,888	31,338	—
S-15	1,382	—	884	2,847	20,288	—
S-15 Jimmy	1,884	—	888	1,788	11,714	—
Safari	878	—	827	1,881	13,888	—
Suburban	888	—	814	1,821	18,888	—
Vandura/Rally Vans	878	—	548	1,482	12,088	—
Total GMC	8,572	6,781	6,418	15,882	118,857	118,887
GENERAL MOTORS	34,884	27,888	28,885	88,277	484,238	447,588
NAVISTAR	1,738	1,344	1,784	3,738	25,788	22,388
NISSAN	1,878	1,428	1,882	3,488	28,547	24,588
AM GENERAL*	488	488	488	888	8,888	1,588
MISCELLANEOUS*	2,288	2,288	2,288	8,888	24,848	22,288
Total Trucks, U.S.	87,838	87,378	75,171	178,288	1,243,437	1,128,428
CANADIAN TRUCK						
Caravan	3,048	—	3,813	6,488	44,881	—
Mini-Ram Van	338	—	338	728	4,114	—
Ram Wagon	578	—	572	1,238	7,188	—
Ram Van	1,488	—	1,372	3,072	17,818	—
Total Dodge	5,434	3,887	5,295	11,517	74,088	88,474
Voyager	2,788	—	2,788	5,818	41,873	—
Total Plymouth	2,788	—	2,788	5,818	41,873	—
Wrangler	1,018	—	1,051	2,242	15,182	—
Total Jeep	1,018	812	1,051	2,242	15,182	8,212
CHRYSLER MOTORS	9,212	6,888	9,131	19,877	130,873	134,888
FORD MTR. (t. trks.)	3,848	2,878	3,818	7,885	53,388	48,731
Light trucks	3,428	—	3,277	7,134	48,244	—
Vans	1,512	—	1,278	2,988	18,038	—
Total Chevrolet	4,988	—	4,888	10,088	84,278	—
Light trucks	1,388	—	1,414	3,188	23,322	—
Vans	888	—	821	1,588	10,328	—
Total GMC	2,218	—	2,285	4,888	33,845	—
GENERAL MOTORS	8,948	3,548	8,781	14,788	87,924	88,888
NAVISTAR	225	182	225	484	3,228	2,888
Total Trks., Canada	20,888	12,887	18,788	42,885	285,384	241,222
U.S., Canada Trks.	107,888	88,285	94,884	218,885	1,888,831	1,370,881

†—Includes window van production. *—Estimated.
Some Canadian models are U.S. cars. All General Motors passenger-carbased vehicles.
Ford passenger includes estimates for Merkur, Volvo-Made, Sigmarick, Aspire, Festiva, Mercedes-Benz, etc.
Monthly estimates may contain error of one or two units due to rounding.

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GM, Ford workers don't buy buyout plans

By Louise Kertesz
AUTOMOTIVE NEWS STAFF REPORTER

Innovative buyout programs designed to rid General Motors and Ford Motor Co. of thousands of excess workers have met with disappointing results because the workers don't want to leave the security of their jobs.

Many say it's because provisions contained in UAW contracts negotiated last year don't provide workers with enough money to get out. Others say workers are reluctant to abandon their plants, their relative security or their benefits.

When new contracts were negotiated last fall, at least one-third of the 50,000 GM workers with 30 years' seniority — more than 17,000 — were expected to take the buyouts or early retirements, according to a local union source. But only 7,200 GM workers took the deals before a recent deadline.

Far fewer workers were expected to take the less-lucrative buyout packages at Ford, but so far only "a handful" of workers have accepted the proposals, in part because of few layoffs and much overtime work amid Ford's hot-selling streak.

The results — far below what the companies and the UAW expected — have not gone unnoticed at Chrysler Corp., which is currently holding contract talks with the union. Chrysler officials are saying that rather than drive away workers like GM and Ford are trying to do, Chrysler needs and wants to keep them.

The atmosphere was quite different a year ago when GM and Ford added contract provisions that allow them to eliminate one permanent job for every two workers who retire, quit or die and to reduce jobs on a one-for-one basis for special programs such as buyouts and early retirements.

Since the workforce size is otherwise fixed, that's the only way companies can permanently reduce the number of workers.

But to get workers to leave, the companies had to pay incentives of up to $55,000-$65,-

see BUYOUTS, page 6

Turin show featured Lancia ECV-2, based on Delta Integrale

BARCARLO PERRI

Britain's IAD Royale, based on Subaru Alcyone components

THE TURIN LOOK:

Giugiaro, Bertone show off exotic minivan-type concepts

By Richard Johnson
AUTOMOTIVE NEWS STAFF REPORTER

TURIN, Italy — Challenged by the glittery Japanese prototypes and concept cars at Tokyo last October, the Italian design superstars responded at the Turin auto show with some flashiness of their own. The starring design was what Europe calls the one-box, and what America might peg as the minivan-shape.

Ital Design's Giorgio Giugiaro, a strong proponent of minivans as upscale, performance cars, presented the latest evolution of one-volume designs that dates back to his famous New York Taxi of 1976.

Giugiaro seemed to steal the Turin Show — if crowded stands mean anything — on the strength of having developed three vibrant concept works off the same basic platform.

One chief designer of a major European manufacturer said that Giugiaro re-established himself at Turin this year.

Carrozzeria Bertone also showed a one-box sports car, and Pininfarina presented a lightweight, 2+2 coupe that appears closest to a production concept among the Italian design studies here.

While Italy's independent stylists and body-builders displayed concept cars, Fiat and Alfa-Lancia concentrated on technical matters.

Alfa Romeo focused on engines — the foundation of its reputation. It presented two powerplants including a 16-valve offshoot of its four-cylinder boxer that it announced will go into a sporty version of the compact 33 model early next year.

The new engine is designed for higher overall output and greater torque at low revs — specifically, 80 bhp per liter and a torque curve allowing 80 percent of maximum torque at as low as 2,000 rpm.

Alfa also showed a research project based on the Twin Spark engine that debuted on the mid-size 75 (Milano) at last year's Geneva show. The so-called Lamellar engine features lamellar valves situated in the intake pipe near the valves.

Among the stated advantages is improved torque at low revs, since part of the fuel mixture load remains trapped between intake and lamellar valves following each piston cycle, creating a turbocharging effect in the next cycle. According to Alfa, the lamellar engine has 30 percent increased torque at 1,000 rpm compared with the Twin Spark.

Domenico Chirico, Alfa's head of research and development, said the engine is just coming out of the research phase and must undergo reliability testing before being considered for production.

Fiat announced it will introduce the first direct-injection diesel engine for a passenger car, installing the system on a version of the Croma in Europe.

see TURIN, page 62

Isuzu denies it backs phony fleet claims

By Joseph Bohn
AUTOMOTIVE NEWS STAFF REPORTER

RENO, Nev. — With a dozen manufacturers trying to seat themselves in the medium-truck market, price competition is almost at the point of no-holds-barred.

General Motors and Ford Motor Co., for example, have chucked structured incentives in favor of price assistance programs in which the amount of factory money they provide a dealer to clinch a tough sale is figured, literally, on a deal-by-deal basis.

And reportedly, some Isuzu Truck of America dealers, at the urging of field sales representatives, have used phony fleet claims to cut prices and maintain their profit.

John Rock, general manager of GMC Truck Division, said that in fleet deals, "We basically don't get into a definition of how big he (customer) is or who you are. We say, 'Look, what is the competitive circumstance?' And the dealer literally, deal by deal by deal, comes to us and says, 'I need this amount of money because Ford, Navistar, Mack — somebody — is on this deal. And then we ask, as best we can, for documentation for that circumstance because our program is what it says, competitive equalization.

"We're moving to meet a competitive circumstance. And it's very important because when you move to meet a competitive circumstance, you're legal within all classes, and that's the way we're doing it."

Ford joined GM in April by installing an 800 number that its dealers can call and, depending on the sizeand kind of deal, the dealer and the circumstances,

see ISUZU, page 63

SATURN

It's on target for '90 intro; lineup to grow — LeFauve

By Kathleen Hamilton
AUTOMOTIVE NEWS STAFF REPORTER

TROY, Mich. — General Motors' Saturn project is on schedule, below budget and will some day be selling a number of models, including a 2+2 coupe and multiple sedans, but probably not minivans and definitely not a two-place Fiero successor.

In a wide-ranging interview, Saturn President Richard G. LeFauve talked about the company's unusual management structure, its plans to

see SATURN, page 63

AUTOMOTIVE NEWS/JOE WILSKEMI

LeFauve: "Hard-core import buyers are willing to give Saturn a shot because deep in their hearts, the hard-core buyer would like to buy an American car."

Iacocca's high pay dulls offer to union

By Mary Connelly
AUTOMOTIVE NEWS STAFF REPORTER

HIGHLAND PARK, Mich. — The traditional far-out theatrics of first-week auto talks became mired in money last week — how much Chrysler Corp. executives make and how much they should share with UAW workers in the future.

Chrysler offered to forego executive bonuses in future lean years when workers do not receive profit sharing, but that was seen by many — especially the union — as lightly veiled face-saving that preceded by only one day the disclosure than Chrysler Corp. Chairman Lee A. Iacocca received $17.9 million in 1987.

Chrysler's proxy statement also revealed that Ia-

see PAY, page 6

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Imports find rental game is for high rollers — Page 2
Survey: Alfa tops dealers' hit list — Page 3
Tax law changes help GM hike profits 18% — Page 4

Alfa tops dealers' hit list

Survey finds unrest in Yugo ranks, too

By Charles M. Thomas
AUTOMOTIVE NEWS STAFF REPORTER

A dealer attitude survey by research firm J.D. Power and Associates on the number of dealers who may discontinue their franchises in 1988 has some automakers worried while others are calling the report stale or are challenging its credibility.

Power, an automotive consulting and research firm in Agoura Hills, Calif., released portions of its 1987 Dealer Attitude Survey in its April Power Report. It said that 8 percent of the dealers surveyed reported that they may discontinue at least one franchise this year; 21 percent of the high-volume operators may turn over a franchise; and 30 percent of the megadealers may opt to drop a franchise.

Alfa Romeo fared worst, with 35 percent of its 152 dealers threatening to discontinue the franchise, according to the report.

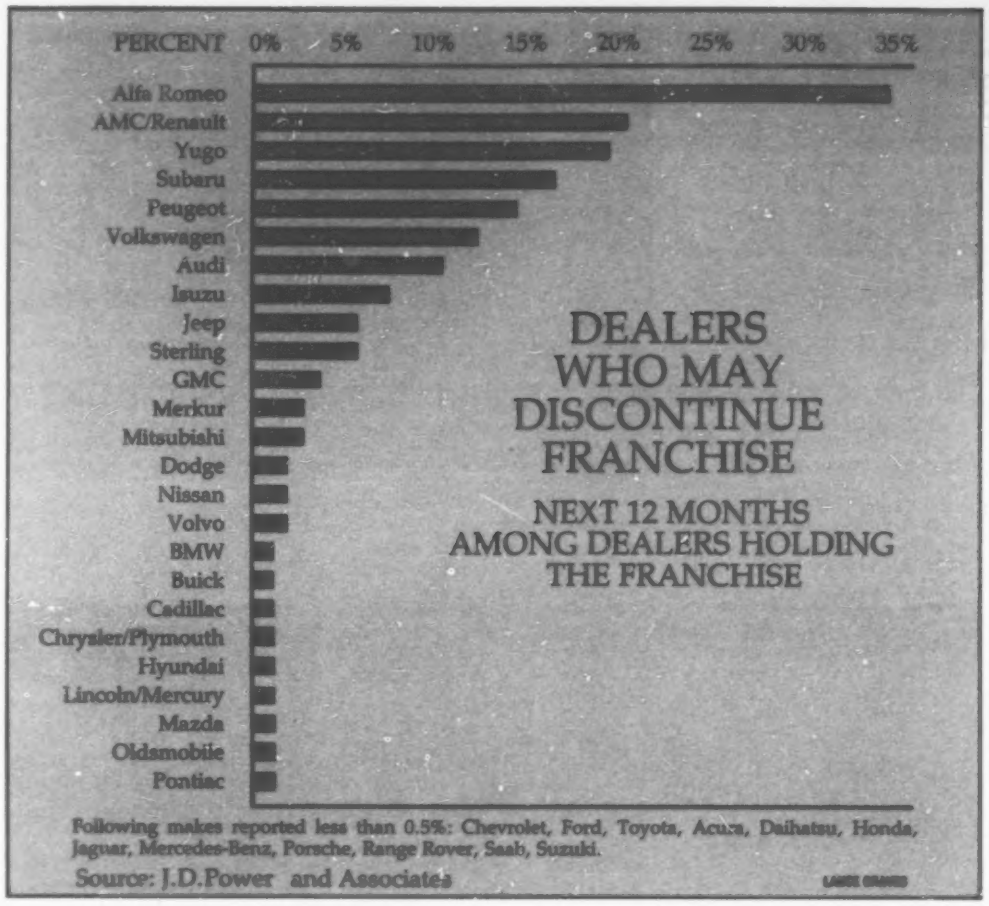
Edouard Richard, general manager of the San Francisco Autocenter in San Francisco, told Automotive News the dealership is in the midst of transferring its Alfa franchise to a neighboring dealer.

"The Italians are hopeless," said Richard. "They should stick with designing cars or making shoes because they can't build cars."

He also charged that the warranty program is in shambles, saying: "A lot of things would be better if the factory would take care of the warranties, but their attitude is that the dealer is stupid and the owner can't drive."

Richard said the dealership had the franchise purely from love for the vehicles — not as a sound business investment.

Joseph E. Cooley Jr., Alfa Romeo Inc. vice president — sales, conceded there is an element of dissatisfaction among dealers but dismissed the prospect that 35 percent of Alfa Romeo dealers could be considering discontinuing the franchise.



He said Alfa hopes to have 170 dealers by the end of the year and move toward 200 in 1989 as the company prepares to launch the larger Alfa 164.

"I'd like to know the basis of the survey," said Cooley. "I've talked to dealers and members of the dealer council — it's ridiculous."

A spokesman from J.D. Power said 10,000 questionaires were sent to dealers between Aug. 21 and Oct. 5 and 2,600 responded. He described the response rate as a good, representative sample. There are approximately 25,000 new-car dealers in the United States.

The report found 21 percent of the AMC-Renault dealers indicating they would drop the franchise in 1988. But the survey came as Chrysler was acquiring American Motors, and dealers carrying only the former AMC's cars are now few and far between.

"This is pretty old stuff, before the merger. All of our dealers are delighted and sales have never been higher," said Bob Williams, Jeep-Eagle dealer marketing manager.

Even Chris Denove, industry analyst for J.D. Power, conceded that the AMC-Renault findings are questionable because of the merger.

Twenty percent of the Yugo dealers surveyed said they may discontinue the franchise. A company spokeswoman said the numbers in the survey aren't representative of the 343 Yugo dealers.

"We calculate that J.D. Power received roughly 80 responses from dealers and 16 reported they would drop the franchise," she said. "Those that said they will drop the franchise probably will be forced to anyway."

She said Yugo is "aggressively revising" its dealer body, insisting dealers make a firm commitment to the product or face termination by Yugo.

Subaru's results — 17 percent of those surveyed saying they may discontinue the franchise — have some Subaru officials concerned.

"We were concerned about it and are not brushing it off," said C.D. "Doug" Mahin, group vice president — sales and marketing. "It was based on 182 dealers, in which 30 dealers responded negatively."

But a later survey by the National Automobile Dealers Association showed better responses from Subaru dealers, said Mahin. He added that the recent purchase of independently owned distributorships by the company has helped improve communications between Subaru and its dealers.

Pete Mastro, owner of Mastro Subaru in Tampa, Fla., agreed with the company's assessment, blaming poor dealer morale in 1987 on Subaru's former distributors.

"That survey is old," he said. "A lot of the dealer problems were related to the distributors. The dealers felt threatened and

see SURVEY, page 64

NHTSA study rebuts stand on rollovers

By Matt DeLorenzo
AUTOMOTIVE NEWS STAFF REPORTER

WASHINGTON — Less than two weeks after NHTSA had denied a petition to conduct a safety-defect investigation into vehicle rollovers, a study done by the agency has surfaced that says there is a correlation between rollovers and a vehicle's stability factor.

NHTSA earlier denied a petition by Sen. Timothy Wirth, D-Colo., for a defect investigation and rollover standard using a stability factor based on half the vehicle's track divided by the height of the center of gravity. NHTSA said the stability factor is "too narrow and inappropriate approach."

However, a study conducted by E. Anna Harwin and Howell K. Brewer for NHTSA concluded, "An analysis of single-vehicle accident data has shown that a high degree of correlation exists between the risk of vehicle rollover and the vehicle rollover stability factor."

NHTSA's denial of the Wirth petition said "crash data available to NHTSA shows that driver behavior and the driving environment generally predominate over vehicle defects by an overwhelming margin as a cause of crashes." It concluded, "The stability factor analysis (in the petition) was not sound basis for rulemaking because of the presence of other vehicle factors in the rollover phenomenon."

The Wirth petition relied on a study by Leon S. Robertson and A. Benjamin Kelley that maintains the disproportionate involvement in single-vehicle rollover-initiated fatal crashes is the low stability factor of sport/utility and other vehicles with short tracks and high centers of gravity.

The Harwin-Brewer study for NHTSA also rules out other factors. "Various driver and environmental factors were also evaluated as to their influence on rollover risk," the study said. "Although driver's sex was shown to be consistently significant across all data sets, the overwhelming variable in explaining rollover rate variations as a function of vehicle make/model designation, is the vehicle rollover stability factor."

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Retired Editor Lienert dies

Robert M. Lienert, retired editor of Automotive News, died last Wednesday in Fort Collins, Colo., after a long illness. He was 61.

Lienert was born in Inland, Neb., on April 26, 1926, and still called nearby Harvard, Neb., his hometown some 60 years later.

He was raised in rural Nebraska with seven brothers and sisters and he never lost his simple down-home style and his sense of humor, although he later traveled the globe and dealt comfortably with international industrialists.

In the days when Automotive News used the hot-metal typesetting process and linotype machines, he would frequently wear a red plaid flannel shirt and blue denim bib overalls to work on days when, as editor, he needed to be in the shop. On those occasions, he dressed as the "Nebraska farm boy" he loved to call himself.

Lienert began his journalism career in 1946 as a staff writer for the Nebraska State Journal in Lincoln. He graduated from the University of Nebraska that year. He later described his duties at the Journal as "night sports editor, reporter and copyreader."

In 1947, he earned a master of science degree from the Medill School of Journalism at Northwestern University and was hired as a copy editor by the Detroit Free Press, where he worked until joining Automotive News in 1953.

He was appointed news editor of this publication in 1962, managing editor in 1966 and editor in 1974.

"Bob Lienert was an invaluable asset to the growth and resurgence of Automotive News over the last three decades," said Keith E. Crain, publisher and editorial director of Automotive News.

"His retirement last year was well-earned and we are all saddened by his untimely passing."

It was Crain who appointed Lienert editor. Crain Communications acquired Automotive News in 1971. Under Lienert's editorship, the paper expanded its scope from coverage of dealer issues to become the leading industry-wide automotive trade journal.

"Bob Lienert was a real pro," said Chrysler Chairman Lee A. Iacocca, "He knew journalism and he knew our industry. He was well-respected and well-liked and will be sorely missed.

"My sympathy goes to his family," Iacocca said.

"I was greatly saddened to learn of the death of Bob Lienert," said Ford Vice Chairman Harold A. Poling."

"He was an automotive journalist of great in-

see LIENERT, page 64

AUTOMOTIVE NEWS/ARTHUR FLAX

Lienert at retirement party last August

March truck sales by manufacturer and segment

		14,000 & LESS GVW CLASS 1-3	14,001-16,000 GVW CLASS 4	16,001-19,500 GVW CLASS 5	19,501-26,000 GVW CLASS 6	26,001-33,000 GVW CLASS 7	33,001 & OVER GVW CLASS 8	TOTAL 1988	TOTAL 1987
CHRYSLER-PLYMOUTH	MO	17,474						17,474	10,438
	YR	44,067						44,067	22,799
DODGE	MO	57,238						57,238	52,845
	YR	145,628						145,628	127,515
JEEP	MO	22,927						22,927	15,873
	YR	59,030						59,030	46,896
TOYOTA	MO	23,528						23,528	28,046
	YR	57,728						57,728	66,886
NISSAN	MO	14,928						14,928	21,320
	YR	41,688						41,688	56,126
MAZDA	MO	10,567						10,567	10,915
	YR	26,991						26,991	27,831
ISUZU	MO	6,309						6,309	8,589
	YR	19,127						19,127	21,673
MITSUBISHI	MO	4,887						4,887	3,900
	YR	12,984						12,984	11,128
SUZUKI	MO	6,406						6,406	8,267
	YR	16,783						16,783	20,601
RANGE ROVER	MO	372						372	79
	YR	897						897	79
FORD	MO	148,652	1,870		1,678	3,679	1,154	156,433	136,767
	YR	369,229	3,426		2,540	8,717	2,984	386,896	332,461
FREIGHTLINER	MO						2,192	2,192	1,890
	YR						6,007	6,007	4,677
CHEVROLET	MO	121,430		34	561	855	31	122,911	107,726
	YR	329,840		53	2,083	2,310	103	334,389	266,100
GMC	MO	38,581		297	1,269	2,183	193	40,523	32,386
	YR	96,314		1,030	4,200	4,140	598	96,282	81,036
KENWORTH	MO					38	1,370	1,408	1,064
	YR					130	3,473	3,603	3,034
MACK	MO				183	242	1,683	2,108	2,197
	YR				475	630	3,917	5,022	5,167
MERCEDES	MO				133	186		319	315
	YR				257	459		716	918
NAVISTAR	MO		21	27	1,728	2,864	2,843	7,483	6,277
	YR		54	103	5,095	7,788	7,939	20,979	16,250
PETERBILT	MO					40	1,426	1,466	850
	YR					64	3,492	3,556	2,023
VOLVO	MO					124	1,342	1,466	941
	YR					263	3,106	3,369	2,606
HINO	MO			84	62	123		269	194
	YR			175	132	245		552	460
NISSAN DIESEL	MO			84	53	131		268	128
	YR			196	112	281		589	376
ISUZU TRUCK	MO	547	35	10	48	58		696	404
	YR	1,068	51	29	402	75		1,625	1,096
MITSUBISHI FUSO	MO	110		45	19	82		256	103
	YR	251		55	54	152		512	163
SCANIA	MO						20	20	16
	YR						48	48	48
IVECO TRUCKS	MO	84	59	41	13			197	286
	YR	209	109	71	44			432	583
WESTERN STAR	MO						133	133	110
	YR						458	458	241
OTHER DOMESTICS	MO				10		67	77	452,047
	YR				14		161	175	1,119,483
GRAND TOTAL	MO	472,040	1,985	822	5,157	10,803	12,454	502,861	
	YR	1,211,813	3,640	1,712	15,408	29,254	32,286	1,290,113	
1987 YR to DATE		1,056,278	128	2,883	9,486	23,316	27,405	1,119,453	

NOTE: Subaru sales of 2 units included in Class 3 Grant Total and also in 1988 monthly grand total. Sales of 4 Subarus included in year-to-date 1988 Class 3 total and year-to-date 1988 Grand Total. Sales of 478 Subarus included in 1987 Class 3 and 1987 Grand Total.
Class 1-3 sales data reported by individual manufacturers; Class 4-8 data reported by Motor Vehicle Manufacturers Association.

Isuzu, with GM help, seeks big-truck lead

By Jake Lucas
SPECIAL CORRESPONDENT

LONDON — Isuzu Motor Co. is planning to expand its truck assembly and distribution worldwide through joint ventures with General Motors in order to overtake Daimler-Benz as the world's leading maker of big trucks.

Kazuo Tobiyama, Isuzu president, said, "I have been giving our employees the target of making Isuzu the world's No. 1 maker of commercial vehicles." Isuzu already is the world's second-largest producer of trucks over 4 metric tons.

"If we try just a bit harder, we believe we can draw level with Mercedes-Benz," Tobiyama said in an interview with Japanese Motor Business, published by the Economist Intelligence Unit, London.

Tobiyama said an Australian joint venture would soon be set up with GM to distribute trucks. A GM Holden factory would be used to assemble knockdown kits, and Isuzu trucks would be sold through the GM Holden dealer network.

"We hope in the future to expand this sort of business with GM on a worldwide basis," he said. GM recently increased its stake in Isuzu to 41.6 percent.

Isuzu and GM already have a joint truck venture in Britain. The former Bedford van plant at Luton is now operated by GM and Isuzu management and produces Isuzu and Suzuki vans. Tobiyama told the publication that the company hopes to build other vehicles there.

He said GM executives in Britain are looking at the off-road, four-wheel-drive market and that the Isuzu Trooper would be an obvious vehicle to sell in Europe. The Ford-Nissan study regarding the viability of building a 4wd vehicle at Motor Iberica in Spain may convince GM it should act sooner.

Tobiyama also said Isuzu is considering importing the Pontiac LeMans, built by Daewoo Motor in Korea, for the Japanese market, if it can be cheaply priced.

"We would want to sell the car at a very low price rather than in direct competition with comparable Japanese models, including our own Gemini," he said. "We see the market for the car in areas like the rent-a-car industry and among younger buyers. Price is the key."

Negotiations to import the Opel Senator and Omega models from Germany and have Isuzu sell the cars in Japan under the Opel name are also continuing. Most likely, the Ascona and Manta would be added at a later date.

Isuzu would also consider assembling Opels in Japan, Tobiyama said, "if sufficient volumes were involved. The cars would, of course, be cheaper if we built them in Japan."

Isuzu already produces 400,000 to 500,000 five-speed transmissions for Opel and recently began to supply GM's plant in Spain with 1.5-liter diesel engines. It can provide up to 60,000 engines a year for the Corsa model.

The Isuzu president warned that total transplant capacity in America in the coming years of up to 1.5 million units will create overcapacity and fierce competition in the "fight for survival."

However, he expects Isuzu to be less affected than others because it will build 1-ton trucks — not cars — at the joint Isuzu/Fuji Heavy Industries plant in the United States.

Tobiyama also painted a brighter financial picture for the company. Following a 10 percent sales decline in 1987, Tobiyama predicted Isuzu sales in 1988 will increase from 530,000 to 570,000, and operating profit will be 17 billion yen ($136 million). In 1987, Isuzu recorded an operating loss of 15.6 billion yen ($125 million).

Isuzu to offer low-floor cab-chassis model

RENO, Nev. — Isuzu Truck will introduce a new cab chassis, the NPR Flat Low, in November with flat bed, van, stake platform and other body applications.

It features a low body floor height for customers who load and unload vehicles by hand. Minimum loading deck height without wheel wells is 34.5 inches.

The vehicle has a 10,500-pound GVW rating and accommodates 5,300 pounds of body and payload. It has a load capacity of up to 3,900 pounds and is available in 109.0-inch, 132.5-inch and 150.0-inch wheelbases. It is powered by a 126-horsepower turbodiesel engine and Electromatic four-speed automatic transmission with third and fourth gear lockup.

— Joseph Bohn

New Sleeper for Volvo model
An optional new WhiteGMC Integral Tall Sleeper Aero tractor was added by Volvo GM Heavy Truck to broaden its Class 8 product line. The Integral Tall Sleeper Aero has two stacked bunk beds in the 102-inch-high sleeping compartment — a 36-inch-wide-lower bunk and a 29-inch-high upper bunk.

JWT eyes comeback, a la Ford

By Laura Clark and Stephen Downer
AUTOMOTIVE NEWS STAFF

DETROIT — J. Walter Thompson's top executive predicts the giant ad agency will stage a comeback in the advertising business the same way its biggest client, Ford Motor Co., did in the automotive industry.

JWT Chairman Burton Manning said the agency, like Ford, must stress "product, quality, innovation and maintaining sensible costs" to make a comeback.

Despite the optimistic forecast, JWT is facing a tough fight to retain its Ford business overseas as other Ford agencies — namely Young & Rubicam and Ogilvy & Mather — set their sights on more Ford ad business.

In an interview, Manning told Automotive News that the agency is not worried about losing more Ford business to competitive agencies. JWT, which was bought by Britain's WPP Group for $566 million in July, has lost nearly $500 million in billings since its ownership change, including approximately $105 million in Ford accounts outside the United States.

"It's a waste of time and energy to think about what you've lost," he said. "What (accounts) you have are very important, and you have to be sure that they're getting the best support, the best people, the best strategy."

Ford switched several of its advertising accounts outside the United States from JWT to Young & Rubicam and Ogilvy & Mather, consolidating much of its international advertising under those agencies. The switch gave nine European advertising accounts to Ogilvy and the Ford of Canada account to Young & Rubicam. Though the move was termed a consolidation, sources say the switch was to show Ford's displeasure with the WPP takeover.

Young & Rubicam also handles Ford's Lincoln-Mercury Division, and Ogilvy last summer took over the Ford parts and service division account from Young & Rubicam.

The shift of European and Canadian ad accounts was followed by Ford's $5 million shift of two of its Latin American advertising accounts in mid-December. JWT lost the $3 million Ford Brasil account to Salles/Inter-Americana (an independent agency) and the $2 million Ford Motor de Venezuela account to Corpa/Ogilvy & Mather.

JWT is facing competition from Young & Rubicam and Ogilvy for its Ford of Mexico advertising account, now under review. A former Ford of Mexico senior executive said top managers have been given orders from Ford's world headquarters to drop JWT.

Manning said JWT representatives flew to Mexico recently to present the agency's capabilities for the Ford of Mexico account. WPP Chairman Martin Sorrell flew from London for the presentation, sources in Mexico said.

Ford officials have said they are pleased with JWT's work for Ford Division in the United States despite widespread speculation from industry observers that JWT will lose the account sooner or later. In an apparent show of support for JWT, several Ford executives — including Ford Division General Manager Thomas Wagner — were on hand for a speech Manning gave at a recent Adcraft Club of Detroit luncheon.

CANADIAN CAR AND TRUCK SALES

Domestic Cars	Mar. 1988	Mar.1987	3 mos., 1988	3 mos., 1987
General Motors	38,056	37,255	80,185	79,142
Ford	20,173	17,592	45,654	42,416
Chrysler	17,560	15,417	34,599	32,253
Honda	831	473	1,824	864
Volvo	178	223	440	504
Domestic car total	**76,848**	**70,960**	**162,702**	**154,981**
Import cars				
Toyota	8,157	5,868	14,707	12,259
Honda	5,560	6,884	13,064	14,674
Volkswagen	3,851	3,089	8,773	6,546
Nissan	3,819	3,815	6,921	8,194
Mazda	3,136	2,355	7,050	5,235
Hyundai	3,024	5,648	7,230	12,857
GM	2,197	1,265	5,031	2,859
Chrysler	938	1,087	1,294	2,325
Suzuki	901	234	1,766	459
Ford	589	833	1,411	1,569
BMW	450	472	1,115	948
Mercedes-Benz	433	375	926	992
Subaru	414	820	1,359	1,830
Volvo	333	545	952	1,306
Jaguar	190	168	605	517
Saab	161	151	349	389
Lada	91	86	248	206
Skoda	53	64	146	156
Import car total	**32,299**	**33,169**	**72,947**	**73,320**
TOTAL — ALL CARS	**109,147**	**104,129**	**235,649**	**228,301**
Domestic trucks (including vans)				
GM	18,752	14,415	39,698	34,972
Ford	14,129	11,876	33,385	30,357
Chrysler	12,215	7,203	25,584	14,919
Domestic truck total	**45,096**	**33,494**	**98,667**	**80,248**
Import trucks (including vans)				
Toyota	1,588	1,142	3,524	2,372
Nissan	1,347	1,500	3,202	4,212
Mazda	1,234	820	2,337	2,151
Suzuki	676	295	1,433	647
Chrysler	345	197	870	478
GM	193	82	500	219
Volkswagen	67	136	190	259
Lada	9	14	27	47
Import truck total	**5,459**	**4,188**	**12,083**	**10,385**
TOTAL — ALL TRUCKS	**50,555**	**37,682**	**110,750**	**90,633**

Sales rise in Canada

Ford, Chrysler advance 7% for quarter

By Bill Vance
SPECIAL CORRESPONDENT

TORONTO — The Big 3 domestic automakers posted moderate car sales increases in Canada for March and the first quarter of 1988.

First-quarter gains at Ford and Chrysler were similar — Ford tallied a 7.63 percent rise while Chrysler was up 7.27 percent. General Motors' sales increased 1.32 percent.

Adding in Honda's and Volvo's Canadian-built units brought the March sales total for domestic cars to 76,848 units, compared with 70,960 in March 1987. Sales of domestic cars for the first three months of 1988 were 162,702 units, compared with 154,981 in the year-earlier period.

Total sales of North American-built cars and imported cars were 235,649 units for the first quarter, compared with 228,301 in 1987. Sales for March totaled 109,147, a 4.82 percent increase over 104,129 in March 1987.

Ford was up 13.17 percent in March, compared with the year-earlier period, and Chrysler sales rose 13.90 percent. GM sales climbed 2.15 percent.

For imported cars, Suzuki, as the result of more dealerships and an increase in advertising, continued to show the hottest growth curve, posting a 285.04 percent gain over March 1987.

Mazda's monthly gain was a healthy 33.25 percent, while Volkswagen was up 24.67 percent.

Import loser of the month was Subaru whose sales slipped 49.5 percent, followed by Hyundai, which was down 40.10 percent.

The Big 3 showed substantial truck gains in March. The pace was set by Chrysler with 12,215 sales, a 69.58 percent increase over March 1987. For the first quarter, Chrysler was up 71.49 percent, compared with the year-earlier period.

GM's domestic truck sales for the quarter were 39,698 units, a 13.51 percent increase over the 1987 period. Ford tallied a 9.97 percent gain over the same three-month period last year.

Suzuki, Mazda and Toyota showed the highest percentage gains for March among truck importers. Suzuki was up 129.15 percent compared with March 1987; Mazda gained 50.49 percent; and Toyota increased 39.05 percent.

Nissan's truck sales were down 10.20 percent for the month and 23.98 for the first quarter compared with 1987 periods.

IMPORT SALES BY MODEL

	March 1988	March 1987	3 Mos. 1988	3 Mos. 1987
ACURA	10,470	8,774	28,495	21,497
Integra	5,032	5,205	12,924	13,166
Legend	5,437	3,569	15,571	8,331
ALFA ROMEO	545	538	1,308	1,830
GTV-6	0	0	1	0
Milano	292	0	727	0
Spider	253	0	578	0
AUDI	1,843	2,489	5,274	8,533
4000S	31	478	109	1,198
4000CS Quattro	11	172	50	549
5000S	328	1,308	923	3,334
5000CS Turbo	66	200	243	545
5000CS Turbo Quattro	77	217	411	873
80	625	0	1,692	0
90	651	0	1,633	0
Coupe GT	54	114	143	293
BMW	6,403	7,504	16,782	19,077
318i	0	2	6	6
524 TD	0	10	1	22
325	3,579	5,294	9,571	13,561
528e	773	981	2,114	2,557
535i/535iS	448	583	1,195	1,471
6-Series	169	188	347	481
7-Series	1,179	326	2,875	812
M3	165	0	434	0
M5	34	39	92	40
M6	56	81	127	127
CHEVROLET	10,111	10,571	31,118	29,314
Spectrum	6,250	6,673	18,273	17,934
Sprint	3,861	3,898	12,845	11,380
CHRYSLER/MITSUBISHI	10,931	11,259	20,386	29,662
Colt	8,270	6,710	22,027	18,543
Conquest	963	1,522	2,405	3,243
Vista	1,698	3,037	4,954	7,871
DAIHATSU	804	0	2,587	0
EAGLE/RENAULT	1,624	1,139	6,523	1,139
18i	0	0	0	0
Fuego	0	0	0	0
Medallion	1,524	1,139	6,523	1,139
FORD Festiva	6,894	0	18,062	0
HONDA	18,567	21,536	59,840	63,815
Civic/CRX	12,353	9,953	33,343	28,415
Accord	2,352	7,183	12,773	21,116
Prelude	3,862	4,400	13,724	14,284
HYUNDAI	26,166	16,602	71,026	58,164
ISUZU	1,675	1,917	4,664	5,489
I-Mark	1,189	1,418	3,084	3,557
Impulse	486	499	1,620	1,932
JAGUAR	1,854	1,545	4,422	4,068
XJ6	1,411	1,119	3,364	3,001
XJS	443	426	1,058	1,067
MASERATI	104	123	249	248
MAZDA	22,430	19,188	58,838	40,280
323	9,394	7,541	24,409	15,556
626	6,583	7,753	16,690	16,168
MX-6	1,243	0	4,106	0
929	2,352	0	6,107	0
RX-7	2,858	3,894	7,526	8,556
MERCEDES BENZ	7,603	7,946	19,302	22,120
190	1,367	1,671	3,239	4,805
260E	695	521	1,662	1,186
300	2,059	2,145	5,323	5,968
300SDL Turbo	9	648	76	1,761
300SEL	759	0	1,878	0
420SEL	926	1,188	2,470	3,296
560SEL	478	548	1,422	1,631
560SL	1,132	961	2,715	2,855
560SEC	154	180	449	490
Tourist	24	84	68	168
MERKUR	764	1,219	2,267	2,115
XR4Ti	400	1,219	1,286	2,115
Scorpio	364	0	981	0
MITSUBISHI	5,790	6,431	16,273	14,071
Starion	321	531	767	1,378
Cordia	490	351	1,374	983
Tredia	80	304	283	971
Mirage	582	1,322	2,305	3,646
Galant	850	867	2,597	3,081
Precis	2,518	2,457	6,867	2,451
Van/Wagon	569	595	1,530	1,556
NISSAN	39,536	41,824	92,163	119,452
Sentra	17,813	14,606	39,215	38,286
Pulsar	4,322	6,643	10,526	18,156
Stanza	8,410	5,968	16,410	17,637
Maxima	4,837	7,938	15,014	23,154
200SX	2,195	3,076	3,646	9,815
300ZX	2,175	3,344	6,026	11,606
Hawaii	784	222	1,232	792
PEUGEOT	563	714	1,247	2,273
PONTIAC LeMans	6,843	0	13,996	0
PORSCHE	1,872	2,394	4,426	5,563
924 S	263	273	544	582
944	458	567	1,122	1,402
944S	87	278	187	735
944 Turbo	251	244	577	661
911 Coupe	340	406	854	1,023
911 Turbo	86	150	267	312
911 Cabriolet	239	288	492	626
928S	129	188	383	522
SAAB	3,996	3,817	9,791	10,768
900	536	812	1,596	2,231
900S	950	1,119	2,462	3,309
900 Turbo	851	792	2,112	2,055
9000S	446	340	1,019	561
9000 Turbo	1,195	881	2,526	2,374
Tourist	18	73	66	132
STERLING	937	1,535	3,054	2,578
SUBARU	13,951	13,942	36,498	34,943
Hatchback	803	663	1,754	1,990
3-Door	691	1,153	1,737	2,887
4-Door Sedan	2,564	3,538	6,281	8,637
XT	1,396	1,938	3,344	4,627
Station Wagon	5,324	5,665	14,842	14,719
Justy	3,373	905	8,540	2,083
TOYOTA	42,734	37,099	127,050	101,117
Corolla	9,963	7,885	32,211	19,481
Tercel	6,003	6,287	18,655	16,202
Celica	5,662	4,905	14,566	14,901
Supra	1,962	1,365	5,338	6,128
Camry	13,417	10,909	41,964	29,837
Cressida	1,140	1,583	3,117	4,957
Land Cruiser	925	330	2,073	969
Van	684	1,410	1,792	3,477
4Runner SR 5	1,933	96	4,785	314
MR2	1,045	1,455	2,659	3,803
Hatchback	0	324	0	986
VOLKSWAGEN*	12,567	8,474	36,421	20,987
Cabriolet	1,393	1,204	3,224	2,857
Jetta	5,520	4,382	15,645	11,571
Vanagon	569	880	1,648	2,092
Quantum	242	524	756	1,415
Scirocco	291	587	861	1,616
Fox	4,552	897	14,283	1,436
VOLVO	8,293	10,562	24,123	32,224
240 Series	3,055	5,185	9,643	15,791
740 Series	4,214	4,206	11,516	12,725
760 Series	879	1,070	2,545	3,426
780	101	0	309	1
Tourist	44	101	110	281
YUGO	3,563	4,571	8,921	13,804
IMPORT TOTAL	269,433	246,543	734,106	661,231

*Total Adjusted

Compiled by Kimm Dettmeski

Chrysler turns to console-type diagnostic system

By Arthur Flax
AUTOMOTIVE NEWS STAFF REPORTER

Chrysler Motors is developing a console type computerized diagnostic system for its dealers, breaking with a practice of emphasizing hand-held diagnostic tools.

Chrysler Motors has had a philosophy of putting as much diagnostic information as possible into the on-board engine and body control computer. Then, with the aid of a sophisticated scanner device — Chrysler's DRBII — the technician could analyze the engine and body control systems.

However, Chrysler has responded to dealer and service industry demand for a personal-computer-based diagnostic system and is now developing its own system comparable to "General Motors' Computerized Automotive Maintenance System (CAMS) and Ford's On-Line Automotive Service Information System (OASIS)," according to Ray Bollman, manager of serviceability and technical service liaison for Chrysler Motors.

The Ford service information system is a relatively simple computerized unit that provides a clearinghouse of technical service information for dealers, but the company also has developed a personal-computer-based diagnostic unit similar to GM's. Ford's is called the Service Bay Diagnostic System (SBDS).

The GM and Ford personal-computer-based consoles combine artificial intelligence, diagnostic routines and an up-to-date storehouse of visual and written service information.

The units can walk less-skilled technicians through diagnostic procedures, provide the latest service bulletins for specific models and also allow skilled technicians to diagnose malfunctions with speed and accuracy.

To date, Chrysler Motors has focused much of its service development on "scanner" tools that read trouble codes and, in some cases, voltages and resistances throughout the engine or vehicle control circuit. Those devices can also "exercise" electro-mechanical systems in the vehicle.

A Chrysler Motors service engineer said, "Our philosophy has been that the vehicle must be able to deliver as much information to the technician as possible."

Chrysler's on-board diagnostics have more on-board readout capability than competitive systems, he claimed.

"The mechanic can use a DRBII and our fault tree and zoom in on a problem," he said.

However, technicians are not always able to keep up with the tremendous amount of new information provided to them — new repair procedures in service manuals and technical service bulletins, for example, often go unread.

"Even with a competent mechanic, it will take a few minutes to find a service bulletin or service manual. The technician may not look for it. Or the technician may get stuck on a problem. With a service bay computer system, all the information would be in one package," the engineer said.

The Chrysler service bay system will work, or interface, with the company's DRBII device, he said.

Chrysler gave its dealers a first look at the computerized console type project at the National Automobile Dealers Association convention in San Francisco in February, he noted.

Personal computer type units enable less-skilled technicians to repair cars more easily. However, because of their price — GM's CAMS is about $18,000 — every technician in the dealership may not have access to the equipment at all times.

Scanning devices, however, provide a great deal of service information at a reasonable cost. The DRBII, for example, costs about $700.

A skilled mechanic often can diagnose a malfunction with a hand-held unit in the same time as a technician using a more sophisticated computer tool, according to Douglas Graham, national account manager for OTC tool and equipment division of Sealed Power Corp. at the company's Detroit-area technical center.

"In terms of speed, the technician who knows what he is doing with a hand-held tool doesn't have to go through an automated test procedure that a less-skilled mechanic would use on a console type machine," Graham said. "However, most console machines can run manually, so the main advantage of the hand-held unit is its price."

OTC manufactures the Monitor 2000 hand-held diagnostic tool. The device is quite popular, with 120,000 units placed in the field since its 1984 introduction, Graham said.

The device takes plug-in software cartridges for GM, Ford and Chrysler products and a unit (with GM software) costs about $425, he noted.

"The device," he said, "is as common as a digital volt-ohmeter. Many mechanics purchase it for their own use."

In addition to computerized service-bay consoles and hand-held scanners dedicated to a manufacturer's line, the aftermarket provides a great deal of generic service equipment.

One of the most basic of electronic test tools offered by manufacturers and the aftermarket is called a "breakout-box." It enables technicians to tap into the car's electronic control module harness and read voltage and resistance readings with a digital volt-ohmeter.

A breakout box is often used in concert with a scanner. It enables a technician to pinpoint a malfunction. The device may also serve as a teaching tool.

A breakout box enables technicians to teach themselves how systems work said Thomas F. Hornung, founder of of Concept Technology, a Detroit-area manufacturer of such devices.

"You have to have a wise technician to use a breakout box, but it also allows curious technicians to educate themselves," he said.

"For example, they can attach a breakout box, push on the gas pedal and watch the relationship of voltages.

"A technician can first learn how to use the breakout box. Then, through experience, the technician learns to recognize symptoms and narrow down areas that cause the problems," he said.

There are also a number of relatively inexpensive universal service tools in the field. Those tools include test lights, pressure gauges for fuel injection systems and fuel injector pulse testers.

Graham of OTC said the manufacturer sells a basic fuel pressure test kit for $250 and a fuel injector pulse tester for $50.

Breakout boxes from various manufacturers generally range from $300 to $450.

Dealer beeps patrons

Pager warns service clients if car is late

When the service shop at Leesburg Jeep-Eagle in Leesburg, Va., runs into a problem and finds it will take longer or cost more than anticipated to repair a customer's car, it has no difficulty notifying customers ahead of time.

Each customer gets an electronic paging beeper that allows the service department to contact them.

"We've virtually eliminated what we call service shock," said Gary Cohen, dealership owner. "The beepers allow us to contact customers who just can't be reached by telephone.

Leesburg Jeep-Eagle also provides a free loaner car to customers who can't find alternative transportation while their cars are in the shop.

SHOP TALK

ARTHUR FLAX

Electronic catalog

Bell and Howell's IDB2000 electronic parts catalog system will be offered for installation at Honda dealerships by late spring, the computer maker announced.

The system, which is currently offered to General Motors and Chrysler Motors dealers, provides parts illustrations as well as parts numbers and bulletins.

Mercedes program grows

Mercedes-Benz of North America has expanded its roadside-assistance program.

The program, which Mercedes started in 1981, now operates 24 hours a day in the New York metropolitan area. The former hours were 5 p.m. to midnight weekdays and 8 a.m. to midnight weekends and holidays.

Mercedes will phase in 24-hour service across the rest of the country by the end of June.

Karl-Heinz Faber, Mercedes-Benz of North America vice president for product compliance and service, said, "The response to our roadside-assistance program has been overwhelmingly positive. Providing 24-hour coverage will make it even more valuable, particularly for long-distance travelers."

The Mercedes program differs from others in that it is automatically available to every Mercedes owner, regardless of the age of the car or if it was bought new or used. Service is covered during the four-year/50,000-mile warranty or is paid by the customer if the car is out of warranty.

Ford training

Ford has devised a computer-training program for its dealers that allows technicians in training to interact with a video screen.

The program, known as the Intelligent Video Learning System, allows a technician to answer questions, make repair decisions and perform simulated-diagnostic procedures by following a narrator's instructions and pointing a light pen at the appropriate point on a video screen. The screen displays components and vehicle systems.

Ford computer trains technicians

The system consists of a video-disc player, television monitor, microcomputer and light pen. A 16-program disc library covers numerous subjects including air conditioning, carburetion and electronic engine controls.

The system will provide an opportunity to reach technicians who aren't able to attend training sessions conducted by district service engineers and also will allow training as work schedules permit, Ford said.

Award for Regal

Home Mechanix magazine gave the 1988 Buick Regal its "Easy Maintenance Car of the Year" award. The magazine lauded the Regal's serviceability, noting the car's easily accessible spark plugs and front MacPherson strut shock-absorber cartridges.

Regal's V-6 engine tilts forward (after removing bolts that can be reached easily) to allow access to the rear bank of spark plugs. The strut cartridges can be lifted out from the top of the engine compartment.

Service, parts business advances 5% for month

By Arthur Flax
AUTOMOTIVE NEWS STAFF REPORTER

Service and parts business at new-car dealerships was slightly above the 1987 pace at the beginning of 1988.

In January 1988, shop volume at new-car dealerships was 5.0 percent above the year-earlier figure. January 1987, however, was a weak month for service business, registering 98.3 percent of the volume for January 1986.

Shop business in December 1987 was up 4.3 percent over the year-earlier month, and business for all of 1987 also was up 4.3 percent over 1986.

An analyst at one of the Big 3 automakers said nasty winter weather helped shop business. He said he expected February and March service volume figures to continue at high levels.

However, he predicted a slowdown for April, saying customers are becoming less certain about economic conditions. Dealers, he added, are requesting that the automakers offer special service incentives to their customers. This follows a long period when the dealers had all the shop business they could handle.

Warranty business also has declined as a result of a stable vehicle population and vehicle improvements, he said. Service-contract and customer-paid business, however, is rising, particularly as more service contracts — previously a small segment of the business — are sold and take over from warranty work, the analyst said.

A Northeastern Chevrolet dealer whose service business increased attributed his performance to "better control of work through computer scheduling and better trained mechanics."

An Eastern Chevrolet dealer said service volume rose because of increased traffic into the dealership and more labor sales per repair order.

An Eastern Cadillac dealer who service volume declined noted that his shop had one less working day in January 1988 than in January 1987.

Gross profit on all labor, parts and accessory sales led January business indicators with a 9.2 percent increase over January 1987.

Shop-parts sales (customer-paid and warranty) rose 6.1 percent over the year-earlier month; sales of all parts and accessories climbed 5.8 percent; and total labor sales (customer-paid and warranty) increased 3.4 percent.

Repair orders written fell 0.3 percent.

Parts and accessories sales to off-premises customers in January 1988 were up 5.6 percent, compared with the year-earlier month.

SERVICE INDEX
105.0*

	Jan., '88 vs. Jan., '87
Gross Profit on All Labor and P&A Sales	+9.2%
Repair Orders Written	−0.3%
Total Labor Sales (Customer & Warranty)	+3.4%
Shop Parts Sales (Customer & Warranty)	+6.1%
Sales of All P&A	+5.8%

* Survey by Automotive News shows that dealers' service and parts business in January 1988 was 105.0 percent of business in January 1987.